

# EXHIBIT F

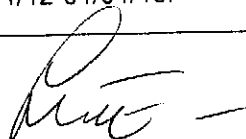
# COMMERCIAL INSURANCE COVERAGE

Policy No.: TRA 5284060

Policy Period: 01/01/12-01/01/13

Policy Cancelled:

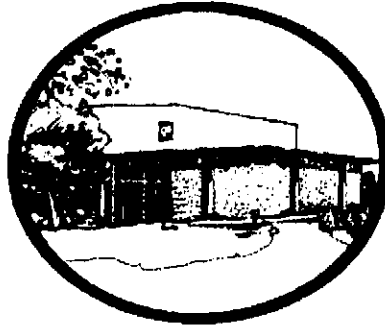
"I, Lisa Evison, Leader – Project Center, of the Westfield Insurance Company, do hereby certify that the foregoing copy was prepared under my supervision and to the best of my knowledge and belief is a true and correct copy of the policy with an effective date of 01/01/12-01/01/13."



**WESTFIELD**  
**INSURANCE**

Sharing Knowledge. Building Trust.®

# *Commercial Insurance Coverage Policy*



**THIS POLICY HAS BEEN  
ESPECIALLY DESIGNED**

*FOR:*

*MAXIM CONSTRUCTION CORP*

*BY:*

*MARKET FINANCIAL CORP*

*THROUGH:*

*WESTFIELD INSURANCE COMPANY*



**WESTFIELD  
INSURANCE**

Sharing Knowledge. Building Trust.®

**ID 7004 (0411)**

IN WITNESS WHEREOF, this Company has caused this policy to be signed by its President and Secretary and countersigned by a duly authorized representative of the Company if required by law.

 *Secretary*

 *President*

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE, IL 60014-3549

815-459-3300

Policy Number: **TRA 5284060**

**MAXIM CONSTRUCTION CORP**  
**31632 N ELLIS DR UNIT 111**  
**VOLO IL 60073**

## **Assembly Instructions**

These pages update your current policy. To keep it current, you should:

1. Check the upper right hand corner of each page in this packet.
  - a. If it says "Renewal or Rating Period Declarations", **remove** the expired declarations page from your current policy and **replace** it with the updated "Renewal or Rating Period Declarations" page.
  - b. If it says "Amended Declarations", insert this amended page **on top** of the last declarations page you received.
2. Every time you receive a "Renewal or Rating Period Declarations", **remove** all prior "Amended Declarations".
3. When you remove pages from your policy, retain them for a permanent record.

Thank you for placing your business with us!



**WESTFIELD**  
**INSURANCE**

Sharing Knowledge. Building Trust.®

P.O. Box 5001, Westfield Center, Ohio 44251-5001

## **NOTICE TO OUR POLICYHOLDERS**

### **PLEASE READ**

Please take a moment to review your revised Commercial Vehicle Certificate. This card will replace the Vehicle Certificate currently in use.

Your card(s) are located at the back of your policy packet and should be kept with the described vehicle at all times. If you lose or misplace the card contact your agency or us for a replacement.

**AD 8149 08-10**

### **IMPORTANT NOTICE TO ILLINOIS POLICYHOLDERS**

In compliance with House Bill 1472, approved by the Illinois Legislature on September 20, 1977, we are listing below the address of our Company and the address of the Public Service Division of the Department of Insurance:

1. Westfield Insurance  
Compliance Department  
P.O. Box 5001  
Westfield Center, Ohio 44251-5001  
1-800-368-3530  
330-887-0101
  
2. Illinois State Department of Insurance  
Consumer Services Section  
320 West Washington Street  
Springfield, Illinois 62767

You may direct questions about this policy to either address. Please provide your policy number, and your agent's name and address, with any inquiry.

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**AD 555 (8-10)**

**ADVISORY NOTICE TO POLICYHOLDERS**

**CA 23 94 03 06 - Silica Or Silica-Related Dust Exclusion For Covered Autos Exposure**

**CA 25 39 03 06 - Silica Or Silica-Related Exclusion For Covered Autos Exposure - Garage Coverages**

When this endorsement is attached to your policy, coverage is excluded for bodily injury liability arising in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, silica or silica-related dust. In addition, coverage is excluded for property damage liability arising in whole or in part, out of actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, silica or silica-related dust. Coverage is also excluded for any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, silica or silica-related dust.

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**AD 87 26 04 06**





**WESTFIELD  
INSURANCE**

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## **IMPORTANT NOTICE TO OUR POLICYHOLDERS**

### ***Westfield Insurance Fraud Hot-Line***

PLEASE READ THIS IMPORTANT INFORMATION

- Fraudulent insurance claims cost us all money.
- Call us if you have information concerning a fraudulent insurance claim.
- All information will be kept confidential.
- Call and discuss your information with a trained investigator, or leave the information anonymously on a telephone answering machine.
- We can all help fight insurance fraud.

AD 8522 (08-10)

**Be a Fraud Buster  
1-800-654-6482**

**Detach and retain information below for future use.**



**Fraud Hot-Line  
1-800-654-6482**



**WESTFIELD  
INSURANCE**  
Sharing Knowledge. Building Trust.®

**Westfield Center, Ohio 44251  
[www.westfieldinsurance.com](http://www.westfieldinsurance.com)**



**Fraud Hot-Line  
1-800-654-6482**



**WESTFIELD  
INSURANCE**  
Sharing Knowledge. Building Trust.®

**Westfield Center, Ohio 44251  
[www.westfieldinsurance.com](http://www.westfieldinsurance.com)**

THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY SHALL PREVAIL.

## **POLICYHOLDER DISCLOSURE**

### **NOTICE OF TERRORISM**

### **INSURANCE COVERAGE and PREMIUM**

On November 26, 2002, the Terrorism Risk Insurance Act of 2002 (hereafter the "Act") was signed into law by the President. The Act, as amended in 2007, defines an "act of terrorism" in Section 102(1) to mean any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States (1) to be an act of terrorism; (2) to be a violent act or an act that is dangerous to human life, property, or infrastructure; (3) to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and (4) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Coverage for acts of terrorism as defined by the Act, as amended, is included in your current policy and/or in any policy quoted for you. You should know that under your existing coverage losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by federal law. Under this formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. **You should also know that the Act, as amended, contains a \$100 billion cap that limits United States Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.** Under the Act, as amended, this formula is currently effective through December 31, 2014.

The actual insurance coverage provided by your policy for acts of terrorism as defined in the Act, as amended, as is true for all coverages, is limited by the terms, conditions, exclusions, limits, other provisions of your policy, any endorsements to the policy and generally applicable rules of law.

### **PREMIUM CHARGED**

During your current policy period, the portion, if any, of your premium that is attributable to coverage for acts of terrorism as defined in the Act is \$\_\_\_\_\_ (refer to Common Policy Declarations if blank).

**If you do not desire the coverage** for acts of terrorism as defined in the Act, as amended, you may reject the coverage and instruct the insurance company to remove it and refund the premium described above. **To reject the coverage, you must:**

- 1) advise the insurance company by letter (on your company letterhead),
- 2) signed by the owner, representative, or properly designated official of the named insured.

**The insurance company must receive your letter within 60 days** from the date shown at the bottom right side of the forms titled "Common Policy Declarations". Please refer to "Common Policy Declarations" for the mailing address of the insurance company.

If your policy premium is \$500, that may represent a minimum premium. In that case, the portion that is attributable to acts of terrorism as defined in the Act, as amended, may be included within that minimum and your total premium will not be reduced if you reject coverage for acts of terrorism. The minimum premium will still apply.

Should you have any question regarding this notice, please contact your insurance agent.

## COMMERCIAL INLAND MARINE ADVISORY NOTICE TO POLICYHOLDERS

Thank you for trusting Westfield Insurance and your Westfield independent agent for your commercial insurance needs. The purpose of this notification is to advise you of important changes we are making to specific coverages within our Inland Marine product that apply to your policy.

At Westfield, we're committed to ensuring our coverage offering is competitive within the marketplace and that we're adding value to your insurance experience, and our new Inland Marine products reflect that commitment. With this change, we are eliminating existing coverage forms listed below, along with their corresponding endorsements, and replacing them with updated forms published by the American Association of Insurance Services (AAIS). The AAIS coverage forms and related endorsements are widely accepted as the industry standard for Inland Marine coverages.

Please note this is a summary of major changes to your policy. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy or endorsements. You should read your policy and review your declaration page for complete information on the coverages you are provided. If there is any conflict between the policy and this summary notice, THE PROVISIONS OF THIS POLICY SHALL PREVAIL.

You are receiving this notice because your policy contains one or more of the Inland Marine coverages listed below:

### **Builders Coverage Form**

Builders Coverage Form provides special perils (all-risk) coverage for buildings during the course of construction. If your expiring Westfield policy provided coverage through CM 70 15, Builders Coverage Form, your renewal policy is being issued with the replacement coverage offered through IM 70 50, Builders' Risk Coverage-Scheduled Jobsite Form-Comprehensive Form. Any additional endorsements added to your policy to tailor coverage to your specific needs will also be replaced with this renewal.

### **Building Materials Coverage Form**

Building Materials Coverage Form covers building materials usual to construction against theft and loss in transit. If your expiring Westfield policy provided coverage through CM 70 17, Building Materials Coverage Form, your renewal policy is being issued with the replacement coverage offered through IM 70 54, Builders' Risk Coverage-Rehabilitation And Renovation Form. Any additional endorsements added to your policy to tailor coverage to your specific needs will also be replaced with this renewal.

### **Contractors Equipment Coverage Form**

Contractor's Equipment Coverage Form provides coverage for mobile machinery, equipment, and tools that are used by contractors. If your expiring Westfield policy provided coverage through CM 70 20, Contractor's Equipment Coverage Form, your renewal policy is being issued with the replacement coverage offered through IM 70 00, Contractors' Equipment Coverage. Any additional endorsements added to your policy to tailor coverage to your specific needs will also be replaced with this renewal.

### **Data Processing Coverage Form**

The Data Processing Coverage Form provides coverage for data processing hardware and software. If your expiring Westfield policy provided coverage through CM 70 86, Data Processing Coverage Form, your renewal policy is being issued with the replacement coverage offered through IM 72 01, Computer Coverage. Any additional endorsements added to your policy to tailor coverage to your specific needs will also be replaced with this renewal.

### **Installation Coverage Form**

The intention of the installation floater form is to provide special perils (all-risk) coverage for personal property that the insured (a contractor) installs, fabricates or erects. Coverage applies to owned property and property of others. If your expiring Westfield policy provided coverage through CM 70 48, Installation Coverage Form, your renewal policy is being issued with the replacement coverage offered through IM 71 00, Installation Floater Coverage. Any additional endorsements added to your policy to tailor coverage to your specific needs will also be replaced with this renewal.

### **Motor Truck Cargo Coverage**

The Motor Truck Cargo Coverage Form provides coverage for a trucker's (common or contract carrier) liability for property of others (cargo) that a trucker is hauling. If your expiring Westfield policy provided coverage through CM 70 52, Motor Truck Cargo Coverage Form, your policy is being renewed using the appropriate forms to ensure your exposures are addressed through the replacement forms that address your business operations, whether on a Motor Truck Cargo program or Transit program, using the new coverage forms. Any additional endorsements added to your policy to tailor coverage to your specific needs will also be replaced with this renewal.

**Riggers' Coverage**

The riggers' forms are designed to provide coverage for property of others (e.g., heavy machinery or equipment) that the insured (a rigger) has agreed to lift or move. The coverage forms also provide coverage when the insured (a millwright) also installs machinery or equipment. Coverage is not restricted to a specific location or job site. If your expiring Westfield policy provided coverage through CM 71 23, Riggers' Coverage Form, your renewal policy is being issued with the replacement coverage offered through IM 71 50, Riggers' Coverage or IM 71 51, Riggers' Legal Liability Coverage. Any additional endorsements added to your policy to tailor coverage to your specific needs will also be replaced with this renewal.

**Tool Coverage Form**

This coverage part is a small tools floater that provides coverage for the insured's tools, employees' tools, and leased or rented tools. If your expiring Westfield policy provided small tools coverage through CM 70 67, Tool Coverage Form, your renewal policy is being issued with the replacement coverage offered through IM 70 03, Contractors' Equipment Coverage - Small Tools Floater or if the existing policy has Contractors Equipment and Tool coverage, your policy will convert to the IM 70 00, Contractors' Equipment, along with the IM 70 34, Tools Endorsement. Any additional endorsements added to your policy to tailor coverage to your specific needs will also be replaced with this renewal.

**Transit Coverage (Transportation, Trip Transit, Owners Cargo)**

The Transit Coverage Forms provide coverage for an insured's property while the property is being shipped. If your expiring Westfield policy provided coverage through CM 70 74, Transportation Coverage, and/or CM 70 69 Trip Transit Coverage, your renewal policy will be evaluated and renewed using the appropriate forms to ensure your exposures are addressed through the replacement forms that address your business operations. Any additional endorsements added to your policy to tailor coverage to your specific needs will also be replaced with this renewal.

**Warehouse Legal Liability**

The Warehouse Legal Liability Coverage Form provides coverage for a warehouse operator's liability for property of others being stored in their facility. If your expiring Westfield policy provided coverage through CM 71 34 Warehousemen's Legal Liability, your renewal policy is being issued with the replacement coverage offered through IM 76 50, Warehouse Legal Liability Coverage. Any additional endorsements added to your policy to tailor coverage to your specific needs will also be replaced with this renewal.

Thank you for trusting Westfield Insurance, and your Westfield independent agent, with your commercial insurance program. Please contact your Westfield Independent Agent with any questions you may have about these changes to your policy.

Westfield Insurance

## ADVISORY NOTICE TO POLICYHOLDERS COMMERCIAL INLAND MARINE MULTISTATE REVISION OF FORMS AND ENDORSEMENTS

This is a summary of the major changes in your Commercial Inland Marine insurance. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

The areas within the policy that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in your policy.

The material in this notice makes reference to form and endorsement numbers; **however, not all forms and endorsements are included in a particular policy.**

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### COVERAGE FORMS

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#### BROADENINGS IN COVERAGE

**NO CHANGES WERE MADE WHICH RESULTED IN A BROADENING OF COVERAGE.**

#### REDUCTIONS IN COVERAGE

- **Collapse (CM 00 20, CM 00 21, CM 00 22, CM 00 26, CM 00 28, CM 00 29, CM 00 45, CM 00 52, CM 00 59, CM 00 66, CM 00 67)**

Coverage intent is reinforced with the added criterion that a collapse be abrupt. This represents a reduction in coverage to the extent that coverage to the extent that coverage might have applied to losses resulting from collapse not considered abrupt.

#### OTHER CHANGES

- **Covered Causes Of Loss Provision (CM 00 20, CM 00 21, CM 00 22, CM 00 26, CM 00 28, CM 00 29, CM 00 45, CM 00 52, CM 00 59, CM 00 60, CM 00 66, CM 00 67)**

The "open perils" Covered Cause of Loss provision is revised by the deletion of the term "risks of" from the phrase "Covered Causes of Loss means risks of direct physical loss or damage".

- **Collapse (CM 00 20, CM 00 21, CM 00 22, CM 00 26, CM 00 28, CM 00 29, CM 00 45, CM 00 52, CM 00 59, CM 00 66, CM 00 67)**

The exclusion for collapse and the Additional Coverage - Collapse (which builds back limited coverage) are revised to reinforce that relationship.

- **Artificially Generated Electrical Current Exclusion (CM 00 21, CM 00 22, CM 00 26, CM 00 28, CM 00 29, CM 00 52)**

This exclusion has been revised to explicitly incorporate various terms that reflect current understanding of technology with respect to power sources and associated systems, such as electromagnetic energy (including electromagnetic pulse or waves) and microwaves, and the various risks presented by them.

- **Nuclear Hazard Exclusion (CM 00 20, CM 00 21, CM 00 22, CM 00 26, CM 00 28, CM 00 29, CM 00 45, CM 00 52, CM 00 59, CM 00 66, CM 00 67)**

The Nuclear Hazard exclusion is simplified by the deletion of reference to weapons and of the phrase "from any other cause". The revised language simply excludes nuclear reaction or radiation, or radioactive contamination, however caused.

- **War And Military Action Exclusion (CM 00 20, CM 00 21, CM 00 22, CM 00 26, CM 00 28, CM 00 29, CM 00 45, CM 00 52, CM 00 59, CM 00 60, CM 00 66, CM 00 67)**

A comma is added in the War And Military Action exclusion to express this exclusion more explicitly.

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**ENDORSEMENTS**

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**BROADENINGS IN COVERAGE**

**NO CHANGES WERE MADE WHICH RESULTED IN A BROADENING OF COVERAGE.**

**REDUCTIONS IN COVERAGE**

**NO CHANGES WERE MADE WHICH RESULTED IN A REDUCTION OF COVERAGE.**

**OTHER CHANGES**

- **Artificially Generated Current Coverage Endorsement CM 26 03**

This endorsement, which is applicable to the Physicians And Surgeons Equipment Coverage Form **CM 00 26**, is revised to incorporate terms that reflect current technology consistent with changes made to the exclusion of this peril in the coverage form. The title is similarly revised to "Artificially Generated Electric, Magnetic Or Electromagnetic Energy Coverage".

- **Additionally Covered Property Endorsement CM 99 01**

This endorsement, which is applicable to various Commercial Inland Marine Coverage Forms, is reformatted to more explicitly express that the Valuation provisions in the endorsement apply only to coverage of improvements and betterments.



## IMPORTANT -- PREMIUM AUDIT NOTICE

Westfield Insurance welcomes the opportunity to service your insurance needs. The following information outlines the company's requirements for auditing your accounting records.

Your particular type of business has a policy premium that is based on estimated exposures at the time this policy was issued. Since the exposures that are used to rate your policy fluctuate during the policy year, your final premium cannot be determined until after the expiration date of the policy term.

An accurate premium audit is a benefit to you and your business. We recommend the person(s) in charge of keeping your financial records (e.g., Payroll; Gross Sales; Total Cost) be aware of insurance auditor needs. Records that are accurate and properly maintained allow you to gain the most benefit from your premium audit. Please ask questions and allow your auditor to assist you.

### WHO WILL MAKE THE AUDIT?

You will be asked to complete a premium audit in one of three ways:

**Mail/Voluntary** - a form will be provided to you. The form will ask a series of questions relative to your type of risk and your type of policy. You will be asked to fill out the form in its entirety and return to Westfield for summary.

**Telephone** - a telephone auditor will call you on the phone to discuss your risk and gather your financials. This could be a staff auditor or vendor auditor depending on your policy.

**Physical** - a field auditor will contact you to visit your premises. They will ask about your operations and physically review your financial records. This could be a staff auditor or vendor auditor depending on your policy.

### WHAT RECORDS WILL BE NEEDED?

The Premium Auditor will examine and audit all of your records that relate to your policy. The records needed will vary depending upon the type of coverage you have. In most cases, the auditor will be able to obtain the necessary audit data from two or more of the following records:

Payroll Journals with monthly/quarterly totals	Individual Earning Cards with monthly/quarterly totals
Quarterly Tax Reports for Federal/State	Certificates of Insurance for sub-contractors
General Ledgers/Income/Sales Journals	

In the course of the audit, the auditor will ask some questions about your records and your business operations. This will assist the Auditor in properly classifying your operations and employees.

### HOW SHOULD YOUR RECORDS BE KEPT:

**Payroll:** Many of the premiums for your General Liability insurance are based on payroll which is defined as remuneration. Remuneration means money or substitutes for money. Payroll includes:

Wages	Bonuses	Holiday Pay	Sick Pay
Commissions	Overtime Pay	Vacation Pay	Payment for piece work

**Overtime:** The amount paid in excess of straight time pay can be deducted if the excess can be verified by your records. Your records must show overtime separately by employee.

**Division of Payroll:** Division of an individual employee's payroll to more than one classification is not allowed. Exception: For construction or erection operations, the payroll of an employee may be allocated to each type of work performed **if proper records are kept**. Payroll **cannot** be divided between construction and office or sales classifications.

**Gross Sales:** Another premium base for General Liability insurance is gross sales. This means the gross amount charged by you to others for all goods or products, sold or distributed and operations performed by you for others.

This information is provided to you as assistance for proper record-keeping requirements. Other insurance companies may differ in their requirements.

## IMPORTANT NOTICE TO CONTRACTORS

The records that you keep can effect the premium you pay for General Liability Insurance. There are steps you can take to control the cost of your insurance. This notice will address the audit requirements only.

Your General Liability premium is based on your direct payroll and any subcontractor costs you may have. Subcontractor costs is an area of concern because it is one area that can be very expensive to you, the contractor.

The Total Cost for work done by an "adequately insured" subcontractor will be assigned to the appropriate "Contractors-subcontracted work" classification. Operations performed by subcontractors without adequate insurance shall be classified and rated under the specific classification description for each operation. "Adequately insured subcontractor" (for purposes of premium computation only) means the subcontractor:

Carries liability limits at least equal to \$300,000 each occurrence.

Carries comparable coverages to your (i.e., personal injury, products/completed operations, etc.).

Furnishes satisfactory evidence of insurance.

**How do you know if subcontractors have the proper coverage, limits and policy period?** You require a certificate of liability insurance be provided to you at the **commencement** of work. The certificate must indicate that the subcontractor carries adequate insurance and the policy term should cover the period that the subcontractor performs work for you. If the certificate shows the subcontractor's insurance expires on a certain date, but they will be working beyond that date, a new certificate should be required.

**Where do you get these certificates of insurance?** The subcontractor must ask their insurance agent to send you a certificate of insurance.

**What do you do with these certificates of insurance?** You must maintain these in a file for each subcontractor and provide them to the insurance auditor at the time of the audit, usually after your policy expires.

**What happens if you do not get the certificates, or they do not have the proper limits, or do not cover the proper period?** An uninsured or inadequately insured subcontractor will substantially increase the cost of your insurance.

To control your insurance costs, you can begin by requesting the proper certificates of insurance from your subcontractors and setting up a file for the certificates. Please keep **expired** certificates of insurance until after the auditor has completed the audit. Keep **unexpired** certificates until the next annual audit.



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## **ADVISORY NOTICE TO POLICYHOLDERS**

Please read your policy, and the endorsement attached to your policy, carefully.

### **CU 21 50 - Silica Or Silica-Related Dust Exclusion**

When the above referenced endorsement is attached to your policy, coverage is excluded for bodily injury and personal and advertising injury arising in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, silica or silica-related dust. In addition, coverage is excluded for property.

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**AD 86 61 12 06**

## **ADVISORY NOTICE TO POLICYHOLDERS**

If your policy contains the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE PART - (CU 2127 - FUNGI OR BACTERIA EXCLUSION)**

- Coverage is restricted to exclude bodily injury or property damage arising, directly or indirectly, out of any fungi, including but not limited to mold, or bacteria on or in a building or structure. This exclusion applies whether or not any other cause, event, material or product contributed in any sequence to the injury or damage.
- Coverage is clarified to exclude personal and advertising injury arising, directly or indirectly, out of any fungi, including but not limited to mold, or bacteria on or in a building or structure. This exclusion applies whether or not any other cause, event, material or product contributed in any sequence to the injury.
- Coverage is restricted to exclude clean-up costs associated with fungi or bacteria.

The exclusion does not apply to fungi or bacteria intended for consumption, such as mushrooms.

If you have any questions regarding these endorsements contained in this policy and how it affects your coverage, please contact your Independent Insurance Agent.

Thank you for allowing us the opportunity to provide your insurance protection.

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**AD 84 79 08 10**

## **KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS**

**PROBLEMS WITH YOUR INSURANCE?** - If you are having problems with your insurance company or agent, do not hesitate to contact the insurance company or agent to resolve your problem.

Westfield Insurance  
Compliance Department  
P.O. Box 5001  
Westfield Center, OH 44251-5001  
1-800-368-3530  
330-887-0101

You can also contact the **OFFICE OF THE COMMISSIONER OF INSURANCE**, a state agency which enforces Wisconsin's insurance laws, and file a complaint. You can contact the **OFFICE OF THE COMMISSIONER OF INSURANCE** by contacting:

Office of the Commissioner of Insurance  
Complaints Department  
P.O. Box 7873  
Madison, WI 53707-7873  
1-800-236-8517  
608-266-0103

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**AD 80 75 (08-10)**


**WESTFIELD**  
**INSURANCE**

Sharing Knowledge. Building Trust.®

**COMMERCIAL PACKAGE POLICY**  
**RENEWAL**  
**COMMON POLICY DECLARATIONS**

41

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

11

**WIC Account Number:** 1200801619

M

**Policy  
Period****From  
To**01/01/12  
01/01/13
 at 12:01 A.M. Standard Time at your  
 mailing address shown above.
**Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation
 In return for the payment of the premium, and subject to all terms of this  
 policy, we agree with you to provide the insurance as stated in this policy.
**THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS**

COMMERCIAL PROPERTY COVERAGE PART	\$	604.00
COMMERCIAL GENERAL LIABILITY COVERAGE PART	\$	33,043.00
COMMERCIAL AUTO COVERAGE PART	\$	9,053.00
COMMERCIAL INLAND MARINE COVERAGE PART	\$	11,182.00
CRIME AND FIDELITY COVERAGE PART	\$	135.00
COMMERCIAL UMBRELLA COVERAGE PART	\$	18,849.00
TERRORISM INSURANCE COVERAGE	\$	989.00

Policy Annual Premium	\$	73,855.00
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Total Advance Annual Policy Premium	\$	73,855.00
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The above is a summary of your coverages. For more detail,  
 please refer to the individual coverage parts inside your policy.

**Forms and Endorsements applicable to all coverage parts:**
 IL0019 0488\*, IL0017 1198\*, ID7004 0411, IL0003 0908\*, IL0162 0908\*,  
 IL0147 0911\*, IL0283 0907\*, IL7035 0608\*.
**COUNTERSIGNED:** \_\_\_\_\_

Date

BY \_\_\_\_\_

Authorized Representative

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CALCULATION OF PREMIUM**

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART  
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT - RELATED PRACTICES LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES - DEFENSE COSTS**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART - LEGAL LIABILITY COVERAGE FORM  
COMMERCIAL PROPERTY COVERAGE PART - MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
FARM COVERAGE PART  
FARM UMBRELLA LIABILITY POLICY  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK COVERAGE PART

- A.** The provisions of Paragraph **B.** are added to all Insuring Agreements that set forth a duty to defend under:
1. Section I of the Commercial General Liability; Commercial Liability Umbrella, Employment-Related Practices Liability, Farm, Liquor Liability, Owners And Contractors Protective Liability, Pollution Liability, Products/Completed Operations Liability, Product Withdrawal, Medical Professional Liability, Railroad Protective Liability, Underground Storage Tank Coverage Parts and the Farm Umbrella Liability Policy;
  2. Section II - Liability Coverage in Paragraph **A.** Coverage under the Business Auto, Garage, Motor Carrier and Truckers Coverage Forms;
  3. Section **A.** Coverage under the Legal Liability Coverage Form; and
  4. Coverage **C** - Mortgageholder's Liability under the Mortgageholders Errors And Omissions Coverage Form.
- B.** If we initially defend an insured ("insured") or pay for an insured's ("insured's") defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.
- The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES - CIVIL UNION**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
FARM COVERAGE PART  
FARM UMBRELLA LIABILITY POLICY  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

- A.** The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under Illinois law.

- B.** Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to the:

1. Individual Named Insured by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of such Named Insured's household, including a ward or foster child; or
2. Individual named in the Schedule by blood, adoption, marriage or civil union

recognized under Illinois law, who is a resident of the individual's household, including a ward or foster child, if the Driver Other Car Coverage - Broadened Coverage For Named Individual Endorsement is attached.

- C.** With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of your household, including a ward or foster child.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WISCONSIN CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EMPLOYMENT - RELATED PRACTICES LIABILITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 FARM UMBRELLA LIABILITY POLICY  
 LIQUOR LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A. Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:**

- 2.** We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

If this policy has been in effect for less than 60 days and is not a renewal policy, we may cancel for any reason.

If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, except as provided in Paragraph 7. below, we may cancel this policy only for one or more of the following reasons:

- a.** The policy was obtained by material misrepresentation;
- b.** There has been a substantial change in the risk we originally assumed, except to the extent that we should have foreseen the change or considered the risk in writing the policy;
- c.** There have been substantial breaches of contractual duties, conditions or warranties; or
- d.** Nonpayment of premium.

If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, the notice of cancellation will state the reason for cancellation.

**B. The following is added to the **Cancellation** Common Policy Condition:**

**7. Anniversary Cancellation**

If this policy is written for a term of more than one year or has no fixed expiration date, we may cancel this policy for any reason by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the anniversary date of the policy. Such cancellation will be effective on the policy's anniversary date.

We may cancel this policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of cancellation contains an offer to continue the policy with us if we receive a written request from the first Named Insured prior to the date of cancellation.

**C. The following applies to the:**

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART

- 1.** We may rescind this policy because of the following:

- a.** Misrepresentation made by you or on your behalf in the negotiation for or procurement of this Coverage Part, if the person knew or should have known that the representation was false;

- Case: 1:15-cv-03553 Document #: 6 Filed: 10/22/15 Page 20 of 60 PageID #:585
- b. Breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this Coverage Part;
- c. Failure of a condition before a loss if such failure exists at the time of loss; or
- d. Breach of a promissory warranty if such breach exists at the time of loss.
2. We may not rescind this policy:
- a. For the reasons in Paragraphs **C.1.a.** and **C.1.b.**, unless:
- (1) We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or
- (2) The facts misrepresented or falsely warranted contribute to the loss.
- b. For the reasons in Paragraphs **C.1.c.** and **C.1.d.**, unless such failure or breach:
- (1) Increases the risk at the time of loss; or
- (2) Contributes to the loss.
3. If we elect to rescind this policy, we will notify the first Named Insured of our intention within 60 days after acquiring knowledge of sufficient facts to constitute grounds for rescission.
- D. The following are added and supersede any other provisions to the contrary:
1. **Nonrenewal**
- a. If we elect not to renew this policy we will mail or deliver written notice of nonrenewal to the first Named Insured's last mailing address known to us. We may elect not to renew for any reason; the notice will state the reason for nonrenewal. We will mail or deliver the notice at least 60 days before the expiration date of this policy.
- We need not mail or deliver the notice if:
- (1) You have insured elsewhere;
- (2) You have accepted replacement coverage;
- (3) You have requested or agreed to nonrenewal of this policy; or
- (4) This policy is expressly designated as nonrenewable.
- b. We may refuse to renew this policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of nonrenewal contains an offer to renew the policy with us if we receive a written request from the first Named Insured prior to the renewal date.
- c. If you fail to pay the renewal or continuation premium by the premium due date, this policy will terminate on the policy expiration or anniversary date, if we have:
- (1) Given you written notice of the renewal or continuation premium not more than 75 days nor less than 10 days prior to the due date of the premium; and
- (2) Stated clearly in the notice the effect of nonpayment of premium by the due date.
2. **Anniversary Alteration**
- If this policy is written for a term of more than one year or has no fixed expiration date, we may alter the terms or premiums of this policy by mailing or delivering written notice of less favorable terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the anniversary date.
- If we notify the first Named Insured within 60 days prior to the anniversary date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the policy at any time during the 60 day period, in accordance with Paragraph 1. of the Cancellation Common Policy Condition. If the first Named Insured elects to cancel the policy during the 60 day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

**3. Renewal With Altered Terms**

If we elect to renew this policy but on less favorable terms or at higher premiums, we will mail or deliver written notice of the new terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the renewal date.

If we notify the first Named Insured within 60 days prior to the renewal date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the renewal policy at any time during the 60 day period, in accordance with Paragraph 1. of the Cancellation Common Policy Condition. If the first Named Insured elects to cancel the renewal policy during the 60 day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

We need not mail or deliver this notice if the only change adverse to you is a premium increase that:

- a. Is less than 25% and is generally applicable to the class of business to which this policy belongs; or
- b. Results from a change based on your action that alters the nature or extent of the risk insured against, including but not limited to a change in the classification or the units of exposure, or increased policy coverage.

**E. Special Provision - Cancellation And Nonrenewal**

With respect to insurance provided under the Commercial Automobile Coverage Part, we will not cancel or refuse to renew Liability Coverage wholly or partially because of age, sex, residence, race, color, creed, religion, national origin, ancestry, marital status or occupation of anyone who is an insured.

POLICY NUMBER: TRA 5284060

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EARLIER NOTICE OF CANCELLATION  
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE

**SCHEDULE**Number of Days' Notice 030

<b><u>Name Of Additional Insured Person(s) Or Organization(s)</u></b>	<b><u>Location(s) Of Covered Operations</u></b>
VILLAGE OF BLOOMINGDALE ILLINOIS 201 S BLOOMINGDALE RD BLOOMINGDALE IL 60108	

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.

POLICY NUMBER: TRA 5284060

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EARLIER NOTICE OF CANCELLATION  
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE

**SCHEDULE**Number of Days' Notice 030

<u>Name Of Additional Insured Person(s) Or Organization(s)</u>	<u>Location(s) Of Covered Operations</u>
BAXTER & WOODMAN INC 8678 RIDGEFIELD RD CRYSTAL LAKE IL 60014	

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.

POLICY NUMBER: TRA 5284060

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EARLIER NOTICE OF CANCELLATION  
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE

**SCHEDULE**Number of Days' Notice 030

<b><u>Name Of Additional Insured Person(s) Or Organization(s)</u></b>	<b><u>Location(s) Of Covered Operations</u></b>
LINDENHURST SANITARY DISTRICT VILLAGE OF LINDENHURST 2301 E SAND LAKE ROAD LINDENHURST IL 60046	

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.

POLICY NUMBER: TRA 5284060

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EARLIER NOTICE OF CANCELLATION  
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE

**SCHEDULE**Number of Days' Notice 030

<b><u>Name Of Additional Insured Person(s) Or Organization(s)</u></b>	<b><u>Location(s) Of Covered Operations</u></b>
STRAND ASSOCIATES INC 910 WEST WINGRA DRIVE MADISON WI 53715	

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.

POLICY NUMBER: TRA 5284060

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EARLIER NOTICE OF CANCELLATION  
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE

**SCHEDULE**Number of Days' Notice 30

<b><u>Name Of Additional Insured Person(s) Or Organization(s)</u></b>	<b><u>Location(s) Of Covered Operations</u></b>
NORTH SHORE SANITARY DISTRICT PO BOX 750 WM KOEPEL DRIVE GURNEE, IL 60031	

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.



## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

**PROPERTY COVERAGE**

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**PROPERTY COVERAGE**




**WESTFIELD**  
**INSURANCE**

Sharing Knowledge. Building Trust.®

**RENEWAL**  
**COMMERCIAL PROPERTY DECLARATIONS**

41

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

11

**WIC Account Number:** 1200801619

M

**Policy Period****From**

01/01/12

**To**

01/01/13

**at 12:01 A.M. Standard Time at your**  
**mailing address shown above.**
**DESCRIPTION OF PREMISES****Loc Bldg Address, City & State**
 001 001 31632 N ELLIS DR UNIT 111/112  
 VOLO, IL 60073
**Construction**
 Masonry Non-  
 Combustible
**Occupancy**

OFFICE/STORAGE

**COVERAGES PROVIDED - Insurance at the described premises applies only for coverages for which a limit of insurance is shown. OPTIONAL COVERAGES applicable only when entries are made in the schedules below:**

Loc Bldg	Coverage	Coins	Infl. Guard	Repl. Cost	Cause of Loss Form	Limit of Insurance
001 001	Blanket Business Pers Prop	90%	N/A	See Below	See Below	\$ 100,000
001 001	Business Personal Property	Blkt	N/A	Yes	Special	Blanket
001 001	Bus Income incl Rental Value	100%	N/A	N/A	Special	\$ 50,000

**OPTIONAL COVERAGES****Loc Bldg Applicable to**

ALL ALL Blanket Business Pers Prop

001 001

001 001 Business Income

**Option Description**
 Agreed value \$ 100,000 - expires 01/01/13  
 Comm'l Property Expanded Cov Endt - Tier 2  
 Utility services \$ 50,000
**Equipment Breakdown Coverage Premium**

\$

31.00

**Total Advance Annual Property Premium**

\$

604.00

**Deductible is**

\$1000

**Forms and Endorsements applicable to this coverage part:**

CP0030	0607*, CP0090	0788*, IL0952	0308*, CP7000	0987*, IL0118	1010*,
IL0284	1205*, CP0140	0706*, CP7083	0408*, CP7084	0408*, CP1032	0808*,
CP0149	0607*, CP7098	1109*, CP1030	0607*, CP0010	0607*, CP1218	0607*,
CP1545	0607*, CP7090	0110*, CP0415	1000*, CP0405	0402*, CP1230	0695*,
CP0407	1091*, CP0440	0607*, CP0417	0607*, CP0401	1000*,	


**WESTFIELD**  
**INSURANCE**

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**RENEWAL**  
**COMMERCIAL PROPERTY EXPANDED COVERAGE**  
**ENDORSEMENT - TIER 2 SCHEDULE**

COMPANY PROVIDING COVERAGE			WESTFIELD INSURANCE COMPANY			
NAMED INSURED AND MAILING ADDRESS			AGENCY	12-01151	PROD.	000
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073			MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300			
Policy Number: TRA 5 284 060			11	NIC Account Number: 1200801619		M
Policy Period	From To	01/01/12 01/01/13	at 12:01 A.M. Standard Time at your mailing address shown above.			

**COMMERCIAL PROPERTY EXPANDED COVERAGE**  
**ENDORSEMENT - TIER 2 SCHEDULE**

This schedule modifies insurance provided under the  
 COMMERCIAL PROPERTY EXPANDED COVERAGE ENDORSEMENT - TIER 2

**LOCATION SCHEDULE**

Note: Crime Coverages included via CR 00 21 (or CR 00 25) apply on a policy-level basis, including those locations/buildings not scheduled below.

**Loc. Bldg.**

<b>No.</b>	<b>No.</b>	<b>Address, City &amp; State</b>
001	001	31632 N ELLIS DR UNIT 111/112 , VOLO, IL 60073

The limits listed in Section I below are the most we will pay for each coverage in any one occurrence unless a different limit is listed in Section II below. (Refer to policy language for specific coverages, conditions and exclusions.)

Coverage	Section I	Limit of Insurance
Accounts Receivable (CM 00 66)		
Property At Your Premises		\$50,000
Property Away From Your Premises		NIL
Backup of Sewers or Drains		\$25,000
Brands and Labels (CP 04 01)		Included
Business Income from Dependent Properties		\$25,000
Changes in Temperature		\$50,000
Computer Coverage		
Hardware, Data and Media		\$100,000
Laptops/Portable Computers and Software (away from premises)		\$10,000
Credit Card Invoices		\$1,000
Debris Removal - Additional Insurance (CP 04 15)		
Building & Contents (Combined)		\$75,000
Deferred Payments		\$50,000
Employee Theft (CR 00 21) Or		
Employee Theft - Per Loss Coverage (CR 00 25)		\$25,000
Deductible Amount Per Occurrence:		NIL
Extra Expense		\$50,000
Fine Arts (CM 70 44)		
Max per item		\$2,500
Max per occurrence		\$10,000
Deductible:		NIL
Breakage:		NIL
Fire Department Service Charge (Incr. limit not applicable in AZ)		\$10,000
Fire Extinguisher Recharge Expense		Included

**WESTFIELD****INSURANCE**

Sharing Knowledge. Building Trust.®

**RENEWAL  
COMMERCIAL PROPERTY EXPANDED COVERAGE  
ENDORSEMENT - TIER 2 SCHEDULE**

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

11

**WIC Account Number:** 1200801619

M

**Policy Period****From To**

01/01/12

01/01/13

**at 12:01 A.M. Standard Time at your  
mailing address shown above.**

Forgery or Alteration (CR 00 21 or CR 00 25)	\$25,000
Deductible Amount Per Occurrence:	NIL
Foundations of Buildings	Included
Inside the Premises - Theft of Money & Securities (CR 00 21 or CR 00 25)	\$25,000
Deductible Amount Per Occurrence:	NIL
Outside the Premises (CR 00 21 or CR 00 25)	\$25,000
Deductible Amount Per Occurrence:	NIL
Inventory and Appraisals	\$10,000
Lock Replacement	\$2,500
Newly Acquired or Constructed Property	
Buildings	\$1,000,000/180 days
Business Personal Property	\$500,000/180 days
Business Income	180 days
Ordinance or Law (CP 04 05)	
Loss to undamaged portion of Building (if applicable)	Incl up to bld lmt
Demolition Cost	\$50,000
Increased Cost Of Construction	\$50,000
Outdoor Property	
Any one tree, shrub or plant	\$1,000
Any one occurrence	\$10,000
Outdoor Signs	\$12,500
Patterns, Dies, Molds, and Forms	\$10,000
Peak Season - Automatic Increase (CP 12 30)	
Period (From/To): Annual Policy Period	Lesser of: 25% or \$50,000
Personal Effects and Property of Others	
Any one person in any one loss	\$5,000
Any one occurrence	\$50,000
Pollutant Clean Up and Removal (CP 04 07)	
Deductible:	\$50,000
	NIL
Premises Boundary Increased Distance	1,000 feet
Property in Transit	\$50,000
Property off Premises	\$25,000
Max per salesperson	\$10,000
Reward Payment	
Information	\$10,000
Stolen Property	\$10,000
Spoilage includes Refrigeration Maintenance Agrmt, Selling Price, Breakdown Or Contamination and Power Outage (CP 04 40)	\$50,000
Deductible:	\$500
Stamps, tickets, including lottery tickets held for sale, and letters of credit	\$500

**WESTFIELD****INSURANCE**

Sharing Knowledge. Building Trust.®

**RENEWAL  
COMMERCIAL PROPERTY EXPANDED COVERAGE  
ENDORSEMENT - TIER 2 SCHEDULE**

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13

**at 12:01 A.M. Standard Time at your  
mailing address shown above.**

Utility Services - Direct Damage (CP 04 17)

Building

\$50,000

Includes: Water Supply Property  
Communication Supply Property (No Overhead  
Transmission Lines)  
Power Supply Property (No Overhead Transmission  
Lines)

Business Personal Property

\$50,000

Includes: Water Supply Property  
Communication Supply Property (No Overhead  
Transmission Lines)  
Power Supply Property (No Overhead Transmission  
Lines)

Vacancy

11% Occupied

Valuable Papers and Records (CM 00 67)

All Other Covered Property

\$50,000

Property Away From Your Premises

\$5,000

Deductible:

NIL

**If a limit is listed in Section II, that limit will supersede the limit in  
Section I for the designated coverage(s), location(s) and building(s)  
listed below.**

**If no limit is listed in Section II, there are no changes to Section I.**

**Note: If "All" is designated as the Loc. No./Bldg. No. Coverage applies to all  
locations, including those locations / buildings not scheduled.**

**Section II**

**Loc. Bldg.  
No. No. Coverage**

**Limit of Insurance**



## BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section G., **Definitions**.

### A. Coverage

#### 1. Business Income

Business Income means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:

- (1) Business Income including "Rental Value".
- (2) Business Income other than "Rental Value".
- (3) "Rental Value".

If option (1) above is selected, the term Business Income will include "Rental Value". If option (3) above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle,

the described premises include the area within 100 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- (a) The portion of the building which you rent, lease or occupy; and
- (b) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

#### 2. Extra Expense

- a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies to that premises.
- b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
- (2) Minimize the "suspension" of business if you cannot continue "operations".



We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise have been payable under this Coverage Form.

### 3. Covered Causes Of Loss

See applicable Causes of Loss Form as shown in the Declarations.

### 4. Additional Limitation - Interruption of Computer Operations

- a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage - Interruption of Computer Operations.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage - Interruption of Computer Operations.
- c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

### 5. Additional Coverages

#### a. Civil Authority

In this Additional Coverage - Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual

loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
- (2) When your **Civil Authority Coverage for Business Income** ends;

whichever is later.

#### b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and

**(3)** Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:

- (a)** Used in the construction, alterations or additions; or
- (b)** Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

**c. Extended Business Income**

**(1)** Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

**(a)** Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and

**(b)** Ends on the earlier of:

**(i)** The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or

**(ii)** 30 consecutive days after the date determined in **(1)(a)** above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in

the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

**(2)** "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

**(a)** Begins on the date property is actually repaired, rebuilt or replaced and tenant-ability is restored; and

**(b)** Ends on the earlier of:

**(i)** The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or

**(ii)** 30 consecutive days after the date determined in **(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

**d. Interruption of Computer Operations**

**(1)** Under this Additional Coverage, electronic data has the meaning described under Additional Limitation - Interruption of Computer Operations.

- (2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss.
- (3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:
- (a) If the Causes of Loss - Special Form applies, coverage under this Additional Coverage - Interruption of Computer Operations is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.
  - (b) If the Causes of Loss - Broad Form applies, coverage under this Additional Coverage - Interruption of Computer Operations includes Collapse as set forth in that Form.
  - (c) If the Causes of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage - Interruption of Computer Operations.
  - (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is not coverage for interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (4) The most we will pay under this Additional Coverage - Interruption of Computer Operations is \$2,500 for all loss sustained and expenses incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.
- (5) This Additional Coverage - Interruption in Computer Operations does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.
- 6. Coverage Extension**
- If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:
- Newly Acquired Locations**
- a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.
  - b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.
  - c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

- (1) This policy expires;
- (2) 30 days expire after you acquire or begin to construct the property; or
- (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

The Additional Condition, Coinsurance, does not apply to this Extension.

## **B. Limits Of Insurance**

The most we will pay for loss in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

Payments under the following Additional Coverages will not increase the applicable Limit of Insurance:

1. Alterations And New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and newly Acquired locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage.

## **C. Loss Conditions**

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

### **1. Appraisal**

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

## **2. Duties In The Event Of Loss**

- a. You must see that the following are done in the event of loss:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when, and where the direct physical loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

- (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

- (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

### 3. Loss Determination

- a. The amount of Business Income loss will be determined based on:

- (1) The Net Income of the business before the direct physical loss or damage occurred;
- (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
- (4) Other relevant sources of information, including:
  - (a) Your financial records and accounting procedures;
  - (b) Bills, invoices and other vouchers; and
  - (c) Deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
  - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and

- (2) All necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

### c. Resumption Of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
  - (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

### 4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

### D. Additional Condition

#### Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

- (1) The Coinsurance percentage shown for Business Income in the Declarations; times
- (2) The sum of:
  - a. The Net Income (Net Profit or Loss before income taxes), and

- b. Operating expenses, including payroll expenses,

that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

Instead, we will determine the most we will pay using the following steps:

- Step (1):** Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
- Step (2):** Divide the Limit of Insurance for the described premises by the figure determined in Step (1); and
- Step (3):** Multiply the total amount of loss by the figure determined in Step (2);

We will pay the amount determined in Step (3); or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

- (1) Prepaid freight - outgoing;
- (2) Returns and allowances;
- (3) Discounts;
- (4) Bad debts;
- (5) Collection expenses;
- (6) Cost of raw stock and factory supplies consumed (including transportation charges);
- (7) Cost of merchandise sold (including transportation charges);
- (8) Cost of other supplies consumed (including transportation charges);
- (9) Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- (10) Power, heat and refrigeration expenses that do not continue under contract (if Form CP 15 11 is attached);
- (11) All ordinary payroll expenses or the amount of payroll expense excluded (if Form CP 15 10 is attached); and
- (12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion - not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

#### EXAMPLE #1 (UNDERINSURANCE)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been \$400,000

The Coinsurance percentage is 50%

The Limit of Insurance is \$150,000

The amount of loss is \$ 80,000

Step 1:  $\$400,000 \times 50\% = \$200,000$   
(the minimum amount of insurance to meet your Coinsurance requirements)

Step 2:  $\$150,000 \div \$200,000 = .75$

Step 3:  $\$ 80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

#### EXAMPLE #2 (ADEQUATE INSURANCE)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been \$400,000

The Coinsurance percentage is 50%

The Limit of Insurance is \$200,000

The amount of loss is \$ 80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ( $\$400,000 \times 50\%$ ). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of loss).

This condition does not apply to Extra Expense Coverage.

#### E. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

##### 1. Maximum Period Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:



- (1) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or

- (2) The Limit of Insurance shown in the Declarations.

## 2. Monthly Limit Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:
- (1) The Limit of Insurance, multiplied by
- (2) The fraction shown in the Declarations for this Optional Coverage.

### EXAMPLE

When: The Limit of Insurance is \$120,000  
 The fraction shown in the Declarations for this Optional Coverage is 1/4  
 The most we will pay for loss in each period of 30 consecutive days is: \$30,000  
 (\$120,000 x 1/4 = \$30,000)  
 If, in this example, the actual amount of loss is:

Days 1-30	\$40,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$90,000

We will pay:

Days 1-30	\$30,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$80,000

The remaining \$10,000 is not covered.

## 3. Business Income Agreed Value

- a. To activate this Optional Coverage:
- (1) A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations":
- (a) During the 12 months prior to the date of the Work Sheet; and

- (b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

- (2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:

- (a) The Coinsurance percentage shown in the Declarations; multiplied by

- (b) The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.

- b. The Additional Condition, Coinsurance, is suspended until:

- (1) 12 months after the effective date of this Optional Coverage; or

- (2) The expiration date of this policy;

whichever occurs first.

- c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:

- (1) Within 12 months of the effective date of this Optional Coverage; or

- (2) When you request a change in your Business Income Limit of Insurance.

- d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

- (1) The Business Income Limit of Insurance; divided by

- (2) The Agreed Value.

### EXAMPLE

When: The Limit of Insurance is \$100,000  
 The Agreed Value is \$200,000  
 The amount of loss is \$80,000

Step (1):  $\$100,000 \div \$200,000 = .50$

Step (2):  $.50 \times \$80,000 = \$40,000$

We will pay \$40,000. The remaining \$40,000 is not covered.

**4. Extended Period Of Indemnity**

Under Paragraph A.5.c., Extended Business Income, the number 30 in Subparagraphs (1)(b) and (2) (b) is replaced by the number shown in the Declarations for this Optional Coverage.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

(1) Regulates the construction, use or repair, or requires the tearing down of any property; or

(2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration."

**F. Definitions**

1. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

2. "Operations" means:

- a. Your business activities occurring at the described premises; and
- b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

3. "Period of restoration" means the period of time that:

a. Begins:

- (1) 72 hours after the time of direct physical loss or damage for Business Income Coverage; or
- (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and

b. Ends on the earlier of:

- (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- (2) The date when business is resumed at a new permanent location.

4. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

5. "Rental Value" means Business Income that consists of:

- a. Net Income (Net Profit of Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and
- b. Continuing normal operating expenses incurred in connection with that premises, including:
  - (1) Payroll; and
  - (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.

6. "Suspension" means:

- a. The slowdown or cessation of your business activities; or
- b. That a part of all of the described premises is rendered untenable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.



## COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

### A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

### B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

### C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

### D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

### E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

### F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

### G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

### H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
  - a. During the policy period shown in the Declarations; and
  - b. Within the coverage territory.
2. The coverage territory is:
  - a. The United States of America (including its territories and possessions);
  - b. Puerto Rico; and
  - c. Canada.

### I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:

- a. Someone insured by this insurance;
- b. A business firm:
  - (1) Owned or controlled by you; or
  - (2) That owns or controls you; or
- c. Your tenant.

This will not restrict your insurance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY

A. When this endorsement is attached to Standard Property Policy **CP 00 99**, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.

B. The following is added to the **Legal Action Against Us** Condition:

The two year period for legal action against us is extended by the number of days between the date the proof of loss is filed with us and the date we deny the claim in whole or in part.

C. If this policy covers:

1. The following in **a.** and **b.**, then Paragraphs **2.** and **3.** apply:

a. Real property used principally for residential purposes up to and including a four family dwelling; or

b. Household or personal property that is usual or incidental to the occupancy of any premises used for residential purposes.

2. The second paragraph of the **Appraisal** Condition is deleted and replaced by the following:

a. Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in **b.** below.

b. We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:

(1) You demanded the appraisal; and

(2) The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.

3. The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following:

**Concealment, Misrepresentation Or Fraud**

a. This Coverage Part or Coverage Form is void if you or any insured

("insured") commit fraud or conceal or misrepresent a fact in the process leading to the issuance of this insurance, and such fraud, concealment or misrepresentation is stated in the policy or endorsement or in the written application for this policy and:

(1) Was made with actual intent to deceive; or

(2) Materially affected either our decision to provide this insurance or the hazard we assumed.

However, this condition will not serve as a reason to void this Coverage Part or Coverage Form after the Coverage Part or Coverage Form has been in effect for one year or one policy term, whichever is less.

b. This Coverage Part or Coverage Form is void if you or any other insured ("insured"), at any time subsequent to the issuance of this insurance, commit fraud or intentionally conceal or misrepresent a material fact relating to:

(1) This Coverage Part or Coverage Form;

(2) The Covered Property;

(3) Your interest in the Covered Property; or

(4) A claim under this Coverage Part or Coverage Form.

c. Notwithstanding the limitations stated in **3.a.** above, we may cancel the Coverage Part or Coverage Form in accordance with the terms of the Cancellation Condition.

D. For the Commercial Property Coverage Part and the Standard Property Policy, the following exclusion and related provisions are added to Paragraph **B.2.** Exclusions in the Causes of Loss Forms and to any Coverage Form or policy to which a Causes of Loss Form is not attached:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.  
  
In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.
  2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:
    - a. The loss arose out of a pattern of criminal domestic violence; and
    - b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.
  3. If we pay a claim pursuant to Paragraph D.2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.
- E. The Intentional Loss Exclusion in the Causes of Loss Form - Farm Property, Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form is replaced by the following:**
1. We will not pay for loss ("loss") or damage arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss ("loss").  
  
In the event of such loss ("loss"), no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss ("loss").
  2. However, this exclusion, will not apply to deny payment to an innocent co-"insured" who did not cooperate in or contribute to the creation of the loss ("loss") if:
    - a. The loss arose out of a pattern of criminal domestic violence; and
    - b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.
  3. If we pay a claim pursuant to Paragraph F.2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.
- F. The Intentional Loss Exclusion in the Capital Assets Program (Output Policy) Coverage Part is replaced by the following:**
1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.  
  
In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.
  2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:
    - a. The loss arose out of a pattern of criminal domestic violence; and
    - b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.
  3. If we pay a claim pursuant to Paragraph E.2., our payment to the "insured" is limited to that "insured's" insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART

- A.** The **Cancellation** Common Policy Condition is replaced by the following:

**CANCELLATION**

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. If this policy has been in effect for 60 days or less, except as provided in paragraphs 8. and 9. below, we may cancel this policy by mailing written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. If this policy has been in effect for more than 60 days, except as provided in paragraphs 8. and 9. below, we may cancel this policy only for one or more of the following reasons:
  - a. Nonpayment of premium;
  - b. The policy was obtained through a material misrepresentation;
  - c. You have violated any of the terms and conditions of the policy;
  - d. The risk originally accepted has measurably increased;
  - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured; or
  - f. A determination by the Director that the continuation of the policy could place us in violation of the insurance laws of this State.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at least 60 days before the effective date of cancellation. When cancellation is for nonpayment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

4. We will mail our notice to you, any mortgagee or lienholder known to us and to the agent or broker.
5. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
6. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
7. Our notice of cancellation will state the reason for cancellation.
8. **REAL PROPERTY OTHER THAN RESIDENTIAL PROPERTIES OCCUPIED BY 4 FAMILIES OR LESS:**

The following applies only if this policy covers real property other than residential property occupied by 4 families or less:

If any one or more of the following conditions exists at any building that is Covered Property in this policy, we may cancel this policy by mailing to you written notice of cancellation, by both certified and regular mail, if;

- a. After a fire loss, permanent repairs to the building have not started within 60 days of satisfactory adjustment of loss, unless the delay is due to a labor dispute or weather conditions.
- b. The building has been unoccupied 60 or more consecutive days. This does not apply to:

- (1) Seasonal unoccupancy; or
- (2) Buildings under repair, construction or reconstruction, if properly secured against unauthorized entry.
- c. The building has:
  - (1) An outstanding order to vacate;
  - (2) An outstanding demolition order; or
  - (3) Been declared unsafe in accordance with the law.
- d. Heat, water, sewer service or public lighting have not been connected to the building for 30 consecutive days or more.

The policy will cancel 10 days following receipt of the written notice by the named insured(s).

**9. RESIDENTIAL PROPERTIES OCCUPIED BY 4 FAMILIES OR LESS:**

The following applies if this policy covers residential properties occupied by 4 families or less:

If this policy has been in effect for 60 days, or if this is a renewal policy, we may only cancel this policy for one or more of the following reasons:

- a. Nonpayment of premium;
- b. The policy was obtained by misrepresentation or fraud; or
- c. Any act that measurably increases the risk originally accepted.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at least 30 days before the effective date of cancellation. When cancellation is for nonpayment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

- 10. For insurance provided under the Commercial Property Coverage Part and the Capital Assets Program (Output Policy) Coverage Part, the following applies:**

**GRAIN IN PUBLIC GRAIN WAREHOUSES**

(Not applicable to grain owned by the Commodity Credit Corporation)

The following applies only with respect to grain in public grain warehouses:

The first Named Insured or we may cancel this policy at any time by mailing to:

- a. The other; and
- b. The Director of the Illinois Department of Agriculture (at its Springfield Office);

60 days' written notice of cancellation.

**B. The following is added:**

**NONRENEWAL**

- 1.** If we decide not to renew or continue this policy, we will mail you, your agent or broker, and any mortgagee or lienholder known to us written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

- 2.** The following provision applies only if this policy covers residential properties occupied by 4 families or less:

- a. If this policy has been issued to you and in effect with us for 5 or more years, we may not fail to renew this policy unless:

- (1) The policy was obtained by misrepresentation or fraud;
- (2) The risk originally accepted has measurably increased; or
- (3) You received 60 days' notice of our intent not to renew as provided in 1. above.

- b. If this policy has been issued to you and in effect with us for less than 5 years, we may not fail to renew this policy unless you received 30 days' notice as provided in 1. above.

**C. The following is added:**

**MAILING OF NOTICES**

We will mail cancellation and nonrenewal notices to the last addresses known to us. Proof of mailing will be sufficient proof of notice.

**COMMERCIAL PROPERTY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY**

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.  
  
However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
  - 1.** Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
  - 2.** Additional Coverage - Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

**COMMERCIAL PROPERTY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE SCHEDULE**

These coverages apply to all locations covered on the policy, unless otherwise specified.

**SCHEDULE OF COVERED LOCATIONS WITH DEDUCTIBLES**

Loc. No.	Bldg. No.	Combined All Coverages Deductible	Direct Coverages Deductible	Indirect Coverages Deductible	Spoilage Deductible (\$ Amt. or % of Loss)
001	ALL	\$ 1,000			



POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

## **COMMERCIAL PROPERTY COVERAGE PART EQUIPMENT BREAKDOWN COVERAGE SCHEDULE**

Equipment Breakdown is subject to the Limits of Insurance shown in the Commercial Property Coverage Part Declarations unless otherwise specified on the schedule below.

<b>Coverages</b>	<b>Limits</b>
Equipment Breakdown Limit	\$
Business Income	\$
Extra Expense	\$

The Limits for the following Coverages are included in the Equipment Breakdown Coverage form for \$50,000 each unless otherwise specified on the schedule below. (Note: The Service Interruption Limit will follow the Business Income, Extra Expense or Spoilage Limit with a 24 hour waiting period).

<b>Coverages</b>	<b>Limits</b>
Expediting Expenses	\$
Hazardous Substances	\$
Spoilage	\$
Computer Equipment	\$
Data Restoration	\$
Service Interruption	\$

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POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

**COMMERCIAL PROPERTY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE SCHEDULE**

**Other Conditions**

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## COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EQUIPMENT BREAKDOWN COVERAGE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

- A.** The following is added as an **Additional Coverage** to the **Causes of Loss - Basic Form, Broad Form or Special Form.**

**Additional Coverage - Equipment Breakdown**

The term Covered Cause of Loss includes the Additional Coverage Equipment Breakdown as described and limited below:

- 1.** We will pay for direct physical damage to Covered Property that is the direct result of an "accident." As used in this Additional Coverage, "accident" means a fortuitous event that causes direct physical damage to "covered equipment." The event must be one of the following:

- a.** mechanical breakdown, including rupture or bursting caused by centrifugal force;
- b.** artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
- c.** explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- d.** loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
- e.** loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

- 2.** Unless otherwise shown in the Schedule, the following coverages also apply to the direct result of an "accident." These coverages do not provide additional amounts of insurance:

**a. Expediting Expenses**

With respect to your damaged Covered Property, we will pay up to \$50,000 unless otherwise shown in a Schedule, the reasonable extra cost to:

- (1)** make temporary repairs; and
- (2)** expedite permanent repairs or permanent replacement.

**b. Hazardous Substances**

We will pay for the additional cost to repair or replace Covered Property because of contamination by a "hazardous substance." This includes the additional expenses to clean up or dispose of such property.

This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in **2.c.(1)(b)** below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "hazardous substance" been involved.

The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$50,000 unless otherwise shown in a Schedule.

**c. Spoilage**

- (1)** We will pay:

- (a)** for physical damage to "perishable goods" due to spoilage;
- (b)** for physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia;
- (c)** any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

- (2) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident," less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.

The most we will pay for loss, damage or expense under this coverage is \$50,000 unless otherwise shown in the Schedule.

**d. Computer Equipment**

We will pay for loss, damage or expense caused by or resulting from an "accident" to "computer equipment."

The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, is shown as covered, is \$50,000 unless otherwise shown in a Schedule. Computers used primarily to control or operate "covered equipment" are not subject to this limit.

**e. Data Restoration**

We will pay for your reasonable and necessary cost to research, replace and restore lost "data."

The most we will pay for loss or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$50,000 unless otherwise shown in a Schedule.

**f. Service Interruption**

- (1) Any insurance provided for Business Income, Extra Expense or Spoilage is extended to apply to your loss, damage or expense caused by an "accident" to equipment that is owned by a utility, landlord or other supplier with whom you have a contract to supply you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed

air, water, steam, internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that is not Covered Property.

- (2) Unless otherwise shown in a Schedule, Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident."
- (3) The most we will pay for loss, damage or expense under this coverage is the limit that applies to Business Income, Extra Expense or Spoilage, except that if a limit is shown in a Schedule for Service Interruption, that limit will apply to Business Income and Extra Expense loss under this coverage.

**g. Business Income and Extra Expense**

Any insurance provided under this coverage part for Business Income or Extra Expense is extended to the coverage provided by this endorsement. The most we will pay for loss of Business Income you sustain or necessary Extra Expense you incur is the limit shown in the Declarations for that coverage, unless otherwise shown in a Schedule.

**3. EXCLUSIONS**

All exclusions in the Causes of Loss form apply except as modified below and to the extent that coverage is specifically provided by this Additional Coverage Equipment Breakdown.

- a. The exclusions are modified as follows:

- (1) If the Causes of Loss - Basic Form or Causes of Loss - Broad Form applies, the following is added to Exclusion B.2.:

Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. But if an "accident" results, we will pay for the resulting loss, damage or expense.

- (2) The following is added to Exclusion B.1.g.:

However, if electrical "covered equipment" requires drying out because of Water as described in **g.(1)** through **g.(3)** above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies.

- (3)** If the Causes of Loss - Special Form applies, as respects this endorsement only, the last paragraph of Exclusion **B.2.d.** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in an "accident," we will pay for the loss, damage or expense caused by that "accident."

- b.** We will not pay under this endorsement for loss, damage or expense caused by or resulting from:

- (1)** your failure to use all reasonable means to protect Covered Property from damage following an "accident";
- (2)** any defect, programming error, programming limitation, computer virus, malicious code, loss of "data," loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind. But if an "accident" results, we will pay for the resulting loss, damage or expense; or

- (3)** any of the following tests:

a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment.

- c.** With respect to Service Interruption coverage, we will also not pay for an "accident" caused by or resulting from: fire; lightning; windstorm or hail; explosion (except as specifically provided in **A.1.c.** above); smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.

- d.** With respect to Business Income, Extra Expense and Service Interruption coverages, we will also not pay for:

- (1)** loss caused by your failure to use due diligence and dispatch all reasonable means to resume business; or
- (2)** any increase in loss resulting from an agreement between you and your customer or supplier.

- e.** We will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident": Any mold, fungus, mildew or yeast, including any spores or toxins produced by or emanating from such mold, fungus, mildew or yeast. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such mold, fungus, mildew or yeast, spores or toxins. However, this exclusion does not apply to spoilage of personal property that is "perishable goods," to the extent that spoilage is covered under Spoilage coverage.

- f.** We will not pay under this endorsement for any loss or damage to animals.

#### 4. DEFINITIONS

The following definitions are added:

- a.** "Boilers and vessels" means:

- (1)** Any boiler, including attached steam, condensate and feedwater piping; and
- (2)** Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this endorsement, but may appear in a Schedule.

- b.** "Computer equipment" means Covered Property that is electronic computer or other data processing equipment, including "media" and peripherals used in conjunction with such equipment.

- c.** "Covered equipment"

- (1)** "Covered equipment" means, unless otherwise specified in a Schedule, Covered Property:

- (a) that generates, transmits or utilizes energy, including electronic communications and data processing equipment; or
  - (b) which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.
- (2) None of the following is "covered equipment":
- (a) structure, foundation, cabinet, compartment or air supported structure or building;
  - (b) insulating or refractory material;
  - (c) sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
  - (d) water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
  - (e) "vehicle" or any equipment mounted on a "vehicle";
  - (f) satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
  - (g) dragline, excavation or construction equipment; or
  - (h) equipment manufactured by you for sale.
- d. "Data" means information or instructions stored in digital code capable of being processed by machinery.
- e. "Hazardous substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.
- f. "Media" means material on which "data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.
- g. "One accident" means: If an initial "accident" causes other "accidents,"

all will be considered "one accident." All "accidents" that are the result of the same event will be considered "one accident."

- h. "Perishable goods" means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.
- i. "Production machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. However, "production machinery" does not mean any fired or unfired pressure vessel other than a cylinder containing a movable plunger or piston.

This term does not appear elsewhere in this endorsement, but may appear in a Schedule.

- j. "Vehicle" means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to, car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.

However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a "vehicle."

**B. The Building and Personal Property Coverage Form is modified as follows. The definitions stated above also apply to section B. of this endorsement.**

**1. DEDUCTIBLE**

The deductible in the Declarations applies unless a separate Equipment Breakdown deductible is shown in a Schedule. If a separate Equipment Breakdown deductible is shown, the following applies.

Only as regards Equipment Breakdown Coverage, provision D. DEDUCTIBLE is deleted and replaced with the following:

**a. Deductibles for Each Coverage**

- (1) Unless the Schedule indicates that your deductible is combined for all coverages, multiple deductibles may apply to any "one accident."

- (2) We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.
- (3) If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one accident," only the highest deductible for each coverage will apply.

**b. Direct and Indirect Coverages**

- (1) Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the Schedule.
- (2) Unless more specifically indicated in the Schedule:
  - (a) Indirect Coverages Deductibles apply to Business Income and Extra Expense loss; and
  - (b) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this endorsement.

**c. Application of Deductibles**

**(1) Dollar Deductibles**

We will not pay for loss, damage or expense resulting from any "one accident" until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance.

**(2) Time Deductible**

If a time deductible is shown in the Schedule, we will not be liable for any loss occurring during the specified number of hours or day immediately following the "accident." If a time deductible is expressed in days, each day

shall mean twenty-four consecutive hours.

**(3) Multiple of Average Daily Value (ADV)**

If a deductible is expressed as a number of times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the Business Income (as defined in any Business Income coverage that is part of this policy) that would have been earned during the period of interruption of business had no "accident" occurred, divided by the number of working days in that period. No reduction shall be made for the Business Income not being earned, or in the number of working days, because of the "accident" or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the Business Income Value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the period of restoration.

The number indicated in the Schedule will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

**(4) Percentage of Loss Deductibles**

If a deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss, damage or expense (prior to any applicable deductible or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

**2. CONDITIONS**

The following conditions are in addition to the Conditions in the Building and Personal Property Coverage Form and the Common Policy Conditions.



**a. Suspension**

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" to that "covered equipment." This can be done by mailing or delivering a written notice of suspension to:

- (1) your last known address; or
- (2) the address where the "covered equipment" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment." If we suspend your insurance, you will get a pro rata refund of premium for that "covered equipment" for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

**b. Jurisdictional Inspections**

If any property that is "covered equipment" under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

**c. Environmental, Safety and Efficiency Improvements**

If "covered equipment" requires replacement due to an "accident," we will pay your additional cost to re-

place with equipment that is better for the environment, safer or more efficient than the equipment being replaced.

However, we will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which Actual Cash Value applies.

**d. Coinsurance**

If a coinsurance percentage is shown in a Schedule for specified coverages, the following condition applies.

We will not pay for the full amount of your loss if the applicable limit is less than the product of the specified coinsurance percentage times the value of the property subject to the coverage at the time of the loss. Instead, we will determine what percentage this calculated product is compared to the applicable limit and apply that percentage to the gross amount of loss. We will then subtract the applicable deductible. The resulting amount, or the applicable limit, is the most we will pay. We will not pay for the remainder of the loss. Coinsurance applies separately to each insured location.

The most we will pay for loss, damage or expense under this endorsement arising from any "one accident" is the applicable Limit of Insurance in the Declarations unless otherwise shown in a Schedule. Coverage provided under this endorsement does not provide an additional amount of insurance.



**COMMERCIAL PROPERTY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WATER EXCLUSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY

**A.** The exclusion in Paragraph **B.** replaces the **Water** Exclusion in this Coverage Part or Policy.

**B. Water**

1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
2. Mudslide or mudflow;
3. Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
4. Water under the ground surface pressing on, or flowing or seeping through:
  - a. Foundations, walls, floors or paved surfaces;

b. Basements, whether paved or not; or

c. Doors, windows or other openings; or

5. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph 1., 3. or 4., or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs 1. through 5., is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs 1. through 5., results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

## ILLINOIS CHANGES - ARTIFICIALLY GENERATED ELECTRICAL CURRENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY

**A.** The exclusion set forth in:

1. Paragraph **B.2.a.** of the Standard Property Policy, the Causes Of Loss - Basic Form, the Causes Of Loss - Broad Form and the Causes Of Loss - Special Form; and
2. Paragraph **B.2.b.** of the Mortgageholders Errors And Omissions Coverage Form

is replaced by the following exclusion:

We will not pay for loss or damage caused by or resulting from artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

## CAUSES OF LOSS - SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section G., Definitions.

### A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means Risks Of Direct Physical Loss unless the loss is:

1. Excluded in Section B., Exclusions; or
2. Limited in Section C., Limitations;

that follow.

### B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

#### a. Ordinance Or Law

The enforcement of any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

#### b. Earth Movement

- (1) Earthquake, including any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- (4) Earth sinking (other than sinkhole collapse), rising or

shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in b.(1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

#### c. Governmental Action

Seizure or destruction of property by order of governmental authority. But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

**d. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

**e. Utility Services**

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure;

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access to access to any electronic, cellular or satellite network.

**f. War And Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**g. Water**

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;

- (2) Mudslide or mudflow;

- (3) Water that backs up or overflows from a sewer, drain or sump; or

- (4) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors or paved surfaces;

- (b) Basements, whether paved or not; or

- (c) Doors, windows or other openings.

But if Water, as described in g.(1) through g.(4) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

**h. "Fungus", Wet Rot, Dry Rot And Bacteria**

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

but if "fungus", wet or dry rot or bacteria results in a "specified causes of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

- (1) When "fungus", wet or dry rot or bacteria results from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage - Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions B.1.a. through B.1.h. apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

- a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, or otherwise interferes with any;

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to;

- (a) Electrical Current including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field.
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

- b. Delay, loss of use or loss of market.
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.
- d. (1) Wear and tear;
- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Settling, cracking, shrinking or expansion;
- (5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.
- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.
- (7) The following causes of loss to personal property:
  - (a) Dampness or dryness of atmosphere;
  - (b) Changes in or extremes of temperature; or
  - (c) Marring or scratching.

But if an excluded cause of loss that is listed in 2.d.(1) through (7) results

in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

- e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.
- g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
  - (1) You do your best to maintain heat in the building or structure; or
  - (2) You drain the equipment and shut off the supply if the heat is not maintained.
- h. Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:
  - (1) Acting alone or in collusion with others; or
  - (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees (including leased employees); but theft by employees (including leased employees) is not covered.

- i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

- j. Rain, snow, ice or sleet to personal property in the open.
- k. Collapse, including any of the following conditions of property or any part of the property

- (1) An abrupt falling down or caving in
- (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- (3) Any Cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion as such condition relates to (1) or (2) above.

But if collapse results in a Covered Cause of loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, k. does not apply;

- a. To the extent that coverage is provided under the Additional Coverage - Collapse; or
- b. To collapse caused by one or more of the following;
  - (i) The "specified causes of loss";
  - (ii) Breakage of building glass;
  - (iii) weight of rain that collects on a roof; or
  - (iv) Weight of people or personal property.

- l. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion l., does not apply to damage to glass caused by chemicals applied to the glass.

- m. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

- 3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. But if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.
- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

- c. Faulty, inadequate or defective:

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation or remodeling; or
- (4) Maintenance;

of part or all of any property on or off the described premises.

#### 4. Special Exclusions

The following provisions apply only to the specified Coverage Forms.

- a. **Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, or Extra Expense Coverage Form**

We will not pay for:

- (1) Any loss caused by or resulting from:
  - (a) Damage or destruction of "finished stock"; or

(b) The time required to re-produce "finished stock".

This exclusion does not apply to Extra Expense.

- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (3) Any increase of loss caused by or resulting from:

(a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or

(b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.

(4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

(5) Any other consequential loss.

**b. Leasehold Interest Coverage Form**

(1) Paragraph B.1.a., Ordinance Or Law, does not apply to insurance under this Coverage Form.

(2) We will not pay for any loss caused by:

(a) Your cancelling the lease;

(b) The suspension, lapse or cancellation of any license; or

(c) Any other consequential loss.

**c. Legal Liability Coverage Form**

(1) The following Exclusions do not apply to insurance under this Coverage Form:

(a) Paragraph B.1.a., Ordinance Or Law;

(b) Paragraph B.1.c., Governmental Action;

(c) Paragraph B.1.d., Nuclear Hazard;

(d) Paragraph B.1.e., Utility Services; and

(e) Paragraph B.1.f., War And Military Action.

(2) The following additional exclusions apply to insurance under this Coverage Form:

**(a) Contractual Liability**

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

(i) Your assumption of liability was executed prior to the accident; and

(ii) The building is Covered Property under this Coverage Form.

**(b) Nuclear Hazard**

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

**5. Additional Exclusion**

The following provisions apply only to the specified property.



**LOSS OR DAMAGE TO PRODUCTS**

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

**C. Limitations**

The following limitations apply to all policy forms and endorsements, unless otherwise stated.

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
  - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
  - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
  - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
    - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
    - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
  - d. Building materials and supplies not attached as part of the building or

structure, caused by or resulting from theft.

However, this limitation does not apply to:

- (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
  - (2) Business Income Coverage or Extra Expense Coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
  - f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
    - a. Animals, and then only if they are killed or their destruction is made necessary.
    - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
      - (1) Glass; or
      - (2) Containers of property held for sale;
    - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.
 

However, this limitation does not apply:

      - (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or
      - (2) To Business Income Coverage or to Extra Expense Coverage.
  3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:



- a. \$2,500 for furs, fur garments and garments trimmed with fur.
- b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- c. \$2,500 for patterns, dies, molds and forms.
- d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, **C.3.**, does not apply to Business Income Coverage or to Extra Expense Coverage.

- 4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:
  - a. Results in discharge of any substance from an automatic fire protection system; or
  - b. Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

#### **D. Additional Coverage - Collapse**

The coverage provided under this Additional Coverage - Collapse applies only to an abrupt collapse as described and limited in **D.1.** through **D.7.**

- 1. For the purpose of the Additional Coverage - Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
- 2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:
  - a. Building Decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;

- b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by;

- (1) A cause of loss listed in **2.a.** or **2.b.**
- (2) One or more of the "specified causes of loss".
- (3) Breakage of building glass;
- (4) Weight of people or personal property; or
- (5) Weight of rain that collects on a roof.

#### **3. This Additional Coverage - Collapse does not apply to;**

- a. A building or any part of a building that is in danger of falling down or caving in;
- b. A part of a building that is standing, even if it has separated from another part of the building; or
- c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

#### **4. With respect to the following property:**

- a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
- b. Awnings, gutters and downspouts;
- c. Yard fixtures;
- d. Outdoor swimming pools;
- e. Fences;
- f. Piers, wharves and docks;
- g. Beach or diving platforms or appurtenances;
- h. Retaining walls; and
- i. Walks, roadways and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in 2.a. through 2.d., we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
  - (2) The property is Covered Property under this Coverage Form.
5. If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a Cause of Loss listed in 2.a. through 2.f. above;
  - b. The personal property which collapses is inside a building; and
  - c. The property which collapses is not of a kind listed in 4. above, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 5. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

6. This Additional Coverage - Collapse does not apply to personal property that has not abruptly fallen down or caved in even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
7. This Additional Coverage - Collapse, will not increase the Limits of Insurance provided in this Coverage Part.
8. The term Covered Cause of Loss includes the Additional Coverage - Collapse as described and limited in D.1. through D.7.

**E. Additional Coverage-Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria**

1. The coverage described in E.2. and E.6. only applies when the "fungus", wet or dry rot or bacteria is a the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
  - a. A "specified cause of loss" other than fire or lightning; or
  - b. Flood Coverage Endorsement applies to the affected premises.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under E.2. of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of Covered Causes of Loss Form or under the Additional Coverage-Collapse.

6. The following 6.a. or 6.b. applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form.

- a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
- b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs that "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

## F. Additional Coverage Extensions

### 1. Property In Transit.

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
  - (1) Fire, lightning, explosion, wind-storm or hail, riot or civil commotion, or vandalism.
  - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed.

(3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

c. The most we will pay for loss or damage under this Extension is \$5000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

### 2. Water Damage, Other Liquids, Powder or Molten Material Damage.

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

### 3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension, F.3., does not increase the Limit of Insurance.

## G. Definitions

1. "Fungus" means any type of form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Specified causes of loss" means the following: fire; lightning; explosion; wind-storm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
  - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (1) The cost of filling sinkholes; or
    - (2) Sinking or collapse of land into man-made underground cavities.
  - b. Falling objects does not include loss or damage to:
    - (1) Personal property in the open; or
    - (2) The interior of a building or structure, or property inside a building or structure, unless the
      - roof or an outside wall of the building or structure is first damaged by a falling object.
  - c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam.

## BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H., **Definitions**.

### A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

tures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

#### 1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.**, Property Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

a. **Building**, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
  - (a) Machinery and
  - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
  - (a) Fire-extinguishing equipment;
  - (b) Outdoor furniture;
  - (c) Floor coverings; and
  - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;

(5) If not covered by other insurance:

- (a) Additions under construction, alterations and repairs to the building or structure;
- (b) Materials, equipment, supplies and temporary struc-

b. **Your Business Personal Property** located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property - Separation Of Coverage form:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
  - (a) Made a part of the building or structure you occupy but do not own; and
  - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

c. **Personal Property Of Others** that is:

- (1) In your care, custody or control; and

- (2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

## 2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, deeds, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
  - (1) The lowest basement floor; or
  - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;

- n. Electronic data, except as provided under the Additional Coverage - Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enables the computer or device connected to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software;
- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
  - (1) Are licensed for use on public roads; or
  - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (c) Rowboats or canoes out of water at the described premises; or
- (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers



q. The following property while outside of buildings:

- (1) Grain, hay, straw or other crops;
- (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

### 3. Covered Causes Of Loss

See applicable Causes Of Loss Form as shown in the Declarations.

### 4. Additional Coverages

#### a. Debris Removal

- (1) Subject to Paragraphs (3) and (4), we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) Debris removal does not apply to costs to:
  - (a) Extract "pollutants" from land or water; or
  - (b) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
  - (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
  - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

(4) We will pay up to an additional \$10,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$10,000.

#### (5) Examples

The following examples assume that there is no Coinsurance penalty.

##### Example #1

Limit of Insurance	\$ 90,000
Amount of Deductible	\$ 500
Amount of Loss	\$ 50,000
Amount of Loss Payable	\$ 49,500
	(\$50,000 - \$500)
Debris Removal Expense	\$ 10,000
Debris Removal Expense Payable	\$ 10,000
	(\$10,000 is 20% of \$50,000)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

**Example #2**

Limit of Insurance	\$ 90,000
Amount of Deductible	\$ 500
Amount of Loss	\$ 80,000
Amount of Loss Payable	\$ 79,500
	(\$80,000 - \$500)
Debris Removal Expense	\$ 30,000
Debris Removal Expense Payable	
Basic Amount	\$ 10,500
Additional Amount	\$ 10,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows:  $\$80,000 (\$79,500 + \$500) \times .25 = \$20,000$ ; capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the loss payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal expense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

**b. Preservation of Property**

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

**c. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 unless a higher limit is shown in the Declarations, for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

**d. Pollutant Clean-up And Removal**

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

**e. Increased Cost Of Construction**

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with enforcement of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in e.(3) through e.(9) of this Additional Coverage.



- (3) The ordinance or law referred to in e.(2) of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.
- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
- (a) You were required to comply with before the loss, even when the building was undamaged; and
  - (b) You failed to comply with.
- (5) Under this Additional Coverage, we will not pay for:
- (a) The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
  - (b) Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.
- (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of : \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.
- The amount payable under this Additional Coverage is additional insurance.
- (7) With respect to this Additional Coverage:
- (a) We will not pay for the Increased Cost of Construction:
    - (i) Until the property is actually repaired or replaced, at the same or another premises; and
    - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
  - (b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the same premises.
  - (c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the new premises.
- (8) This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.
- (9) The costs addressed in the Loss Payment and Valuation Conditions, and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of an ordinance or law. The amount payable under this Additional Coverage, as stated in e.(6) of this Additional Coverage, is not subject to such limitation.

**f. Electronic Data**

- (1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, - Electronic Data.
- (2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.
- (3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, - Electronic Data, subject to the following:
  - (a) If the Causes of Loss - Special Form applies, coverage under this Additional Coverage, - Electronic Data is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.
  - (b) If the Causes of Loss - Broad Form applies, coverage under this Additional Coverage, - Electronic Data includes Collapse as set forth in that Form.
  - (c) If the Causes of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, - Electronic Data.
  - (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system

(including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage, - Electronic Data is \$2,500 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after the policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

**5. Coverage Extensions**

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more or, a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

**a. Newly Acquired Or Constructed Property****(1) Buildings**

If this policy covers Buildings, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
  - (i) Similar use as the building described in the Declarations; or
  - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

**(2) Your Business Personal Property**

(a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

- (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
- (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

(b) This Extension does not apply to:

- (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

**(3) Period Of Coverage**

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 30 days after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

**b. Personal Effects And Property Of Others**

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

**c. Valuable Papers And Records (Other Than Electronic Data)**

(1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, - Electronic Data.

(2) If the Causes of Loss - Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.

(3) If the Causes of Loss - Broad Form applies, coverage under this Extension includes Collapse as set forth in that Form.

- (4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

**d. Property Off-premises**

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
- (a) Temporarily at a location you do not own, lease or operate;
  - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
  - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
- (a) In or on a vehicle; or
  - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$10,000.

**e. Outdoor Property**

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of

loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

**f. Non-owned Detached Trailers**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
- (a) The trailer is used in your business;
  - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
  - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
- (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
  - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized land conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

**B. Exclusions And Limitations**

See applicable Causes Of Loss Form as shown in the Declarations.

**C. Limits Of Insurance**

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to the building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;
2. Pollutant Clean-up And Removal;
3. Increased Cost of construction; and
4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

**D. Deductible**

In any one occurrence of loss or damage (herein-after referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

**EXAMPLE #1**

(This example assumes there is no Coinsurance penalty.)

Deductible:	\$250
Limit of Insurance - Building #1:	\$60,000
Limit of Insurance - Building #2:	\$80,000
Loss to Building #1:	\$60,100
Loss to Building #2:	\$90,000

The amount of loss to Building #1 (\$60,100) is less than the sum (\$60,250) of the Limit of In-

surance applicable to Building #1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building #1:

\$60,100  
 - 250  
 \$59,850 Loss Payable - Building #1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building #2. Loss payable for Building #2 is the Limit of Insurance of \$80,000.

Total amount of loss payable: \$59,850 + \$80,000 = \$139,850

**EXAMPLE #2**

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example #1.

Loss to Building #1: \$ 70,000  
 (exceeds Limit of Insurance plus Deductible)  
 Loss to Building #2: \$ 90,000  
 (exceeds Limit of Insurance plus Deductible)  
 Loss Payable - Building #1: \$ 60,000  
 (Limit of Insurance)  
 Loss Payable - Building #2: \$ 80,000  
 (Limit of Insurance)  
 Total amount of loss payable: \$140,000

**E. Loss Conditions**

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

**1. Abandonment**

There can be no abandonment of any property to us.

**2. Appraisal**

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and

- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

### 3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss or damage to Covered Property:
  - (1) Notify the police if a law may have been broken.
  - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
  - (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
  - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
  - (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
  - (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
  - (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
  - (8) Cooperate with us in the investigation or settlement of the claim.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

### 4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
  - (1) Pay the value of lost or damaged property;
  - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to b. below;
  - (3) Take all or any part of the property at an agreed or appraised value; or
  - (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.



g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

(1) We have reached agreement with you on the amount of loss; or

(2) An appraisal award has been made.

h. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

## 5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

## 6. Vacancy

### a. Description Of Terms

(1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:

(a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to

the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

(b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

(i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or

(ii) Used by the building owner to conduct customary operations.

(2) Buildings under construction or renovation are not considered vacant.

### b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

(1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:

(a) Vandalism;

(b) Sprinkler leakage, unless you have protected the system against freezing;

(c) Building glass breakage;

(d) Water damage;

(e) Theft; or

(f) Attempted theft.

(2) With respect to Covered Causes of Loss other than those listed in b.(1)(a) through b.(1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

## 7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

a. At actual cash value as of the time of loss or damage, except as provided in b., c., d., e. and f. below.

- b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value even when attached to the building:

- (1) Awnings or floor coverings;
  - (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
  - (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- d. Glass at the cost of replacement with safety-glazing material if required by law.
- e. Tenant's Improvements and Betterments at:
- (1) Actual cash value of the lost or damaged property if you make repairs promptly.
  - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
    - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
    - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
  - (3) Nothing if others pay for repairs or replacement.

#### F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

#### 1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

#### EXAMPLE #1 (UNDERINSURANCE)

When:	The value of the property is	\$250,000
	The Coinsurance percentage for it is	80%
	The Limit of Insurance for it is	\$100,000
	The Deductible is	\$250
	The amount of loss is	\$40,000
Step (1):	$\$250,000 \times 80\% = \$200,000$ (the minimum amount of insurance to meet your Coinsurance requirements)	
Step (2):	$\$100,000 \div \$200,000 = .50$	
Step (3):	$\$40,000 \times .50 = \$20,000$	
Step (4):	$\$20,000 - \$250 = \$19,750$	

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

#### EXAMPLE #2 (ADEQUATE INSURANCE)

When:	The value of the property is	\$250,000
	The Coinsurance percentage for it is	80%
	The Limit of Insurance for it is	\$200,000
	The Deductible is	\$250
	The amount of loss is	\$40,000



The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 (\$250,000 x 80%). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$39,750 (\$40,000 amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

### EXAMPLE #3

When: The value of the property is:

Building at Location #1	\$ 75,000
Building at Location #2	\$100,000
Personal Property at Location #2	<u>\$ 75,000</u>
	\$250,000

The Coinsurance percentage for it is 90%

The Limit of Insurance for Buildings and Personal Property at Location #1 and #2 is \$180,000

The Deductible is \$ 1,000

The amount of loss is:

Building at Location #2	\$ 30,000
Personal Property at Location #2.	<u>\$ 20,000</u>
	\$ 50,000

Step (1):  $\$250,000 \times 90\% = \$225,000$   
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2):  $\$180,000 \div \$225,000 = .80$

Step (3):  $\$ 50,000 \times .80 = \$40,000$

Step (4):  $\$ 40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

## 2. Mortgageholders

- The term mortgageholder includes trustee.
- We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclo-

sure or similar action on the building or structure.

- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:

- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

**G. Optional Coverages**

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

**1. Agreed Value**

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.
- b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.
- c. The terms of this Optional Coverage apply only to loss or damage that occurs:
  - (1) On or after the effective date of this Optional Coverage; and
  - (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

**2. Inflation Guard**

- a. The Limit of Insurance for property to which this Optional Coverage applied will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
  - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
  - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
  - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

**Example:**

If: The applicable Limit

of Insurance is	\$100,000
The annual percentage increase is	8%
The number of days since the beginning of the policy year (or last policy change) is	146
The amount of increase is	
$\$100,000 \times .08 \times 146 \div 365 =$	\$3,200

**3. Replacement Cost**

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition, of this Coverage Form.
- b. This Optional Coverage does not apply to:
  - (1) Personal property of others;
  - (2) Contents of a residence;
  - (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or
  - (4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

- c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- d. We will not pay on a replacement cost basis for any loss or damage:
  - (1) Until the lost or damaged property is actually repaired or replaced; and
  - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

- (3)** If the conditions in **d.(1)** and **d.(2)** above are not met, the value of tenants' improvements and betterments, will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and
- (4)** We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.
- e.** We will not pay more for loss or damage on a replacement cost basis than the least of **(1)**, **(2)** or **(3)**, subject to **f.** below:

  - (1)** The Limit of Insurance applicable to the lost or damaged property;
  - (2)** The cost to replace the lost or damaged property with other property:

    - (a)** Of comparable material and quality; and
    - (b)** Used for the same purpose; or
  - (3)** The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.**

#### 4. Extension Of Replacement Cost To Personal Property Of Others

- a.** If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph **3.b.(1)** of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b.** With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the replacement cost of the property or the applicable Limit of Insurance.

## H. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 BUILDERS' RISK COVERAGE FORM  
 CONDOMINIUM ASSOCIATION COVERAGE FORM  
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
 STANDARD PROPERTY POLICY

**SCHEDULE**

<b>Premises Number:</b>	001	<b>Building Number:</b>	001	<b>Applicable Clause (Enter C., D., E., or F.):</b>	C
<b>Description Of Property:</b> BUSINESS PERSONAL PROPERTY					
<b>Loss Payee Name:</b> AMCORE BANK ISAOA					
<b>Loss Payee Address:</b> P O BOX 4719 ROCKFORD IL 611100000					
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.					

**A.** When this endorsement is attached to the STANDARD PROPERTY POLICY CP 00 99 the term Coverage Part in this endorsement is replaced by the term Policy.

**B.** Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the covered Property.

The following is added to the **Loss Payment** Loss Condition, as indicated in the Declarations or in the Schedule.

**C. Loss Payable Clause**

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

1. Adjust losses with you; and
2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

**D. LENDER'S LOSS PAYABLE CLAUSE**

1. The Loss Payee shown in the Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- a. Warehouse receipts;
- b. A contract for deed;

- c. Bills of lading;
- d. Financing statements; or
- e. Mortgages, deeds of trust, or security agreements.

**2.** For Covered Property in which both you and a Loss Payee have an insurable interest:

- a. We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
- b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
- c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
  - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

#### **E. CONTRACT OF SALE**

1. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered a contract with for the sale of Covered Property.
2. For Covered Property in which both you and the Loss Payee have an insurable interest we will:
  - a. Adjust losses with you; and
  - b. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
3. The following is added to the OTHER INSURANCE Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

#### **F. BUILDING OWNER LOSS PAYABLE CLAUSE**

1. The Loss Payee shown in the Schedule or in the Declarations is the owner of the described building, in which you are a tenant.
2. We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
3. We will adjust losses to tenant's improvements and betterments with you, unless the lease provides otherwise.

POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 BUILDERS' RISK COVERAGE FORM  
 CONDOMINIUM ASSOCIATION COVERAGE FORM  
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
 STANDARD PROPERTY POLICY

**SCHEDULE**

<b>Premises Number:</b>	001	<b>Building Number:</b>	001	<b>Applicable Clause (Enter C., D., E., or F.):</b>	C
<b>Description Of Property:</b> BUSINESS PERSONAL PROPERTY					
<b>Loss Payee Name:</b> ASSOCIATED BANK NA ISAPA					
<b>Loss Payee Address:</b> PO BOX 12768 GREEN BAY WI 543072768					
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.					

**A.** When this endorsement is attached to the STANDARD PROPERTY POLICY **CP 00 99** the term Coverage Part in this endorsement is replaced by the term Policy.

**B.** Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the covered Property.

The following is added to the **Loss Payment** Loss Condition, as indicated in the Declarations or in the Schedule.

**C. Loss Payable Clause**

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

1. Adjust losses with you; and
2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

**D. LENDER'S LOSS PAYABLE CLAUSE**

1. The Loss Payee shown in the Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- a. Warehouse receipts;
- b. A contract for deed;

- c. Bills of lading;
- d. Financing statements; or
- e. Mortgages, deeds of trust, or security agreements.

**2.** For Covered Property in which both you and a Loss Payee have an insurable interest:

- a. We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
- b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
- c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
  - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

#### **E. CONTRACT OF SALE**

1. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered a contract with for the sale of Covered Property.
2. For Covered Property in which both you and the Loss Payee have an insurable interest we will:
  - a. Adjust losses with you; and
  - b. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear;
3. The following is added to the OTHER INSURANCE Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

#### **F. BUILDING OWNER LOSS PAYABLE CLAUSE**

1. The Loss Payee shown in the Schedule or in the Declarations is the owner of the described building, in which you are a tenant.
2. We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
3. We will adjust losses to tenant's improvements and betterments with you, unless the lease provides otherwise.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****UTILITY SERVICES - TIME ELEMENT**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM  
 BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM  
 EXTRA EXPENSE COVERAGE FORM

**SCHEDULE\***

Prem. No.	Bldg. No.	Utility Services Limit Of Insurance	Enter "X" for each applicable Property				
			Water Supply Property	Communi- cation Supply Property (including overhead transmis- sion lines)	Communi- cation Supply Property (not including overhead transmis- sion lines)	Power Supply Property (including overhead transmis- sion lines)	Power Supply Property (not including overhead transmis- sion lines)
001	001	\$ 50,000	X	X		X	
<b>Causes Of Loss Form Applicable: SPECIAL</b>							
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.							

**A. Coverage**

Your coverage for Business Income and/or Extra Expense, as provided and limited in the applicable Coverage Form, is extended to apply to a "suspension" of "operations" at the described premises caused by an interruption in utility service to that premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss (as indicated in the Schedule) to the property described in Paragraph C. if such property is indicated by an "X" in the Schedule and is located outside of a covered building described in the Declarations.

**B. Exception**

Coverage under this endorsement does not apply to Business Income loss or Extra Expense related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

**C. Utility Services**

1. **Water Supply Services**, meaning the following types of property supplying water to the described premises:

a. Pumping stations; and

b. Water mains.

2. **Communication Supply Services**, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:

a. Communication transmission lines, including optic fiber transmission lines;

b. Coaxial cables; and

c. Microwave radio relays except satellites.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

3. **Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:

a. Utility generating plants;

b. Switching stations;

c. Substations;

d. Transformers; and

e. Transmission lines.



It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

- D. The **Coinurance** Additional Condition does not apply to this endorsement.

- E. The Utility Services Limit of Insurance, as shown in the Schedule, is the only Limit which applies to the coverage provided under this endorsement, and is part of, not in addition to, the Limit of Insurance stated in the Declarations as applicable to the described premises.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COMMERCIAL PROPERTY EXPANDED COVERAGE ENDORSEMENT - TIER 2**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
BUSINESS INCOME COVERAGE FORMS  
CAUSES OF LOSS - SPECIAL FORM

### **BUILDING AND PERSONAL PROPERTY COVERAGE FORM AMENDMENT**

If a coverage limit is shown as applicable in the Tier 2 Schedule, the following coverages apply. These coverages are subject to the terms and conditions applicable to property coverage in this policy, except as provided below.

Under **Section A. Coverage, 1. Covered Property, a. Building** the following is added:

- (6) Foundations of buildings.

Under **Section A. Coverage 2. Property Not Covered**, item **g.** is deleted.

In **Section A. Coverage**, the references to 100 feet are changed to read 1,000 feet in the following paragraphs:

**1.a.(5)(b) Building;**

**1.b. Business Personal Property;**

**1.c.(2) Personal Property of Others; and**

**5. Coverage Extensions**

Under **Section A. Coverage, 4. Additional Coverages, c. Fire Department Service Charge**, the limit is changed from \$1,000 to \$10,000 unless a different limit is shown in the Tier 2 Schedule.

Under **Section A. Coverage, 4. Additional Coverages** the following is added:

**g. Fire Extinguisher Recharge Expense**

We will pay to recharge or replace your fire extinguishers, whichever cost is less, when they are discharged as a result of fighting a fire caused by a Covered Cause of Loss, on or within 1,000 feet of your described premises.

No deductible applies to this Additional Coverage.

**h. Lock Replacement**

We will pay the cost to repair the door locks or tumblers of your described premises due to "theft" of your door keys.

"Theft" means any act of stealing. "Theft" does not mean mysterious or unexplained disappearance of property.

The most we will pay under this Additional Coverage is \$2,500, unless a different limit is shown in the Tier 2 Schedule.

No deductible applies to this Additional Coverage.

**i. Reward Payment**

(1) We will reimburse you for rewards paid as follows:

(a) Up to \$10,000 to an eligible person for information leading to the arrest and conviction of any person or persons committing a crime resulting in loss or damage to Covered Property from a Covered Cause of Loss. However, we will pay no more than the lesser of the following amounts:

(i) Actual cash value of the Covered Property at the time of loss or damage, but no more than the amount required to repair or replace it; or

(ii) The amount determined by the loss settlement procedure applicable to Covered Property under the Loss Payment Condition.

(b) Up to \$10,000 to an eligible person for the return of stolen Covered Property, when the loss or damage is caused by theft. However, we will pay no more than the lesser of the following amounts:

(i) Actual cash value based on the condition of the Covered Property at the time it is returned, but not more than the amount required to repair or replace it; or

- (ii) The amount determined by the loss settlement procedure applicable to the return Covered Property under the Loss Payment Condition.
- (2) This Additional Coverage applies subject to the following additional conditions:
  - (a) An eligible person means that person designated by a law enforcement agency as being the first to voluntarily provide the information leading to the arrest and conviction or return of the stolen Covered Property, and who is not:
    - (i) You;
    - (ii) Your employee;
    - (iii) An employee of a law enforcement agency;
    - (iv) An employee of a business engaged in property protection;
    - (v) Any person who had custody of the Covered Property at the time the theft was committed; or
    - (vi) Any person involved in the crime.
  - (b) No reward will be reimbursed unless and until the person(s) committing the crime is/are convicted or the Covered Property is returned.
  - (c) You must have posted public notice of reward prior to the first person volunteering the necessary information or returning the stolen Covered Property.
- (3) The lesser of the amount of the reward or the amount shown in the Tier 2 Schedule is the most we will reimburse for loss under this Additional Coverage for any one occurrence.

We will pay up to \$10,000 as a reward for information which leads to an arson, theft or vandalism conviction in connection with a fire, theft or vandalism loss to property covered under this policy. Regardless of the number of persons involved in providing information, the limit of our liability under this Additional Coverage shall not be increased.

No deductible applies to this Additional Coverage.

Under **Section A. Coverage, 5. Coverage Extensions, a. Newly Acquired Or Constructed Property (1) Buildings** the limit is changed from \$250,000 at each building to \$1,000,000 at each building unless a different limit is shown in the Tier 2 Schedule.

Under **Section A. Coverage, 5. Coverage Extensions, a. Newly Acquired Or Constructed Property (2) Your Business Personal Property** the limit is changed from \$100,000 at each building to \$500,000 at each building unless a different limit is shown in the Tier 2 Schedule.

Under **Section A. Coverage, 5. Coverage Extensions, a. Newly Acquired Or Constructed Property (3) Period of Coverage (b)** is changed from 30 days to 180 days.

Under **Section A. Coverage, 5. Coverage Extensions, b. Personal Effects and Property of Others** item (2) is amended to personal property of others in your care, custody, or control while anywhere within the coverage territory.

The limit is changed from \$2,500 at each described premises to \$50,000 at each described premises unless a different limit is shown in the Tier 2 Schedule. We will not pay more than \$5,000 to any one person in any one loss. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

Under **Section A. Coverage, 5. Coverage Extensions d. Property Off-premises**, subparagraph (3) is replaced with the following:

The most we will pay for loss or damage under this Extension is \$25,000, but not more than \$10,000 while in the care, custody or control of a salesperson unless a different limit of insurance is shown in the Tier 2 Schedule.

Under **Section A. Coverage, 5. Coverage Extensions e. Outdoor Property**, the last paragraph is amended to change the limit under this Extension from \$1,000 to \$10,000. The limit for any one tree, shrub or plant is changed from \$250 to \$1,000. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Under **Section A. Coverage, 5. Coverage Extensions** the following is added:

**g. Property In Transit**

You may extend the insurance provided by this Coverage Form to apply to your Covered Property (including property that is in the care, custody or control of your salespersons) in transit in or on a motor vehicle you own, lease or operate while between points within the coverage territory and more than 1,000 feet from the described premises. Loss or damage must be caused by or result from one of the following Covered Causes of Loss:

- (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion or vandalism;
- (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed;
- (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry;
- (4) Flood; or
- (5) Earthquake.

The coverage provided under this Extension replaces coverage provided under any other additional coverage extension applying to property in transit. The most we will pay for this coverage is \$50,000 unless a different limit is shown in the Tier 2 Schedule.

#### **h. Extra Expense**

We will pay necessary Extra Expense you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property at the described premises, including personal property in the open (or in a vehicle) within 1,000 feet, caused by or resulting from a Covered Cause of Loss.

Extra Expense means expense incurred:

- (1) To avoid or minimize the suspension of business and to continue "operations":
  - (a) At the described premises; or
  - (b) At replacement premises or at temporary locations, including:
    - (i) Relocation expenses; and
    - (ii) Costs to equip and operate the replacement or temporary locations.
- (2) To minimize the suspension of business if you cannot continue "operations"; or
- (3) To repair or replace any property; or
- (4) To research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.

We will only pay for Extra Expense that occurs after the date of direct physical loss or damage. The most we will pay for loss or damage under this Extension is \$50,000.

"Operations" means your business activities occurring at the described premises.

"Period of Restoration" means the period of time that:

- (1) Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
- (2) Ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of Restoration" does not include any increased period required due to the enforcement of any law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) Regulates the prevention, control, repair, clean-up or restoration of environmental damage.

The expiration date of this policy will not cut short the "period of restoration."

#### **i. Back Up of Sewers or Drains**

You may extend the insurance provided by this Coverage Part to apply to loss or damage to your Covered Property caused by:

- (1) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment.
- (2) Subsurface water that enters into and overflows from within a:
  - (a) Sump pump;
  - (b) Sump pump well; or
  - (c) Other type system;

designed to remove subsurface water from the foundation area.

The most we will pay for loss or damage under this Extension is \$25,000 per any one occurrence including Business Income unless a different limit is shown in the Tier 2 Schedule.

**j. Credit Card Invoices**

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Sums owed you from grantors of credit provided you are unable to collect from them due to direct loss or damage to your credit card invoice records;
- (2) Increased collection costs as a result of such direct loss or damage; or
- (3) Other reasonable expenses that you incur to re-establish your records of credit card invoices following such direct loss or damage;

that results from a Covered Cause of Loss to your records of credit card invoices.

This insurance applies to credit card invoices while:

- (1) On premises scheduled in the Declarations of this policy;
- (2) While being conveyed outside the premises; or
- (3) While temporarily at other premises for any reason except storage.

The most we will pay for loss or damage under this Extension is \$1,000 unless a different limit is shown in the Tier 2 Schedule.

**k. Changes In Temperature**

You may extend the insurance provided by this coverage to apply to direct physical loss or damage to Covered Property, other than spoilage, caused by changes or extremes in temperature or humidity.

The most we will pay for loss or damage is \$50,000 per any one occurrence including Business Income unless a different limit is shown in the Tier 2 Schedule.

**l. Inventory and Appraisals**

You may extend the insurance provided for Covered Property to apply to the cost of any inventory or appraisal that we require when loss or damage occurs to Covered Property.

The most we will pay for loss or damage under this Extension is \$10,000 unless a different limit is shown in the Tier 2 Schedule.

**m. Computer Coverage**

You may extend the insurance that applies to your Business Personal Property to apply to "computer equipment", "media", "data", and "computer programs". We will cover "computer equipment", "media", "data", and "computer programs", which you own, lease or rent from others or that are in your care, custody or control. We will pay the replacement cost of reproducing lost or accidentally erased "data", "computer programs", documentation and source materials provided you actually replace or reproduce them.

This extension does not apply to:

- (1) Property you lease or rent to others while it is away from the described premises;
- (2) Any "data" or "media" which cannot be replaced with others of like kind or quality; or
- (3) Accounts, bills, evidence of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents, except as they may be converted to "data" processing "media" form, and then only in that form.

The most we will pay for loss or damage under this Extension is \$100,000 unless a different limit is shown in the Tier 2 Schedule.

A sublimit of \$10,000 applies to laptops/portable computers and their software while away from the premises.

**n. Deferred Payments**

You may extend the insurance that applies to your Business Personal Property to apply to direct physical loss or damage to personal property you have sold on an installment or other deferred payment basis after it has been accepted by the customer.

The most we will pay for loss or damage under this Extension is \$50,000 unless a different limit is shown in the Tier 2 Schedule.

Under **Section C. Limits of Insurance** the second paragraph is replaced with the following:

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to the building, is \$12,500 per sign in any one occurrence unless a different limit is shown in the Tier 2 Schedule.

Under **Section E. Loss Conditions, 6. Vacancy, a. Description of Terms**, subparagraph (1) (b), the 31% provision is amended to read 11%.

Under **Section E. Loss Conditions, 7. Valuation**, the following conditions are added:

**f. "Data"**

We will figure your loss to be the actual cost of reproducing the data, provided you actually replace or reproduce it. This includes computer programs, but not "media."

**g. "Media"**

We will figure your loss to be the actual cost of repairing or replacing the "media" with material of the same kind or quality.

Under **Section G. Optional Coverages, 3. Replacement Cost**, subparagraph **b.(1)** is deleted when the Replacement Cost option is selected for Business Personal Property.

Under **H. Definitions**, the following are added:

4. "Computer Equipment" means a network of machine components capable of accepting information, processing it according to plan and producing the desired results. It includes air conditioning, fire protection equipment and electrical equipment used exclusively in your computer operations.
5. "Data" means facts, concepts or instructions, including computer programs, which are converted to a form usable to your data processing operations.
6. "Media" means material on which data are recorded.
7. "Computer Programs" means data used to direct computer equipment including diagrams or other records which can be used to reproduce programs.

**BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM AMENDMENT**

Under **Section A. Coverage, 5. Additional Coverages** the following is added:

**e. Business Income From Dependent Properties**

- (1) The insurance provided for loss of Business Income and Extra Expense is extended to apply to the actual and necessary amount of such loss which you incur due to the necessary "suspension" of "operations" during the "period of restoration" caused by direct physical loss of or damage by a Covered Cause of Loss to property at the premises of a Dependent Property not specifically described under the Business Income From Dependent Properties - Broad Form endorsement or under the Business Income From Depend-

ent Properties - Limited Form endorsement. However, for this additional coverage, we will not pay for loss or damage caused by or resulting from Earthquake, Volcanic Eruption and Flood, even if they are otherwise Covered Causes of Loss.

- (2) Dependent Property means property at premises located anywhere in the world, which is operated by others on whom you depend to:

- (a) Deliver material or services to you or to others for your account;
- (b) Deliver services, other than power, water or communication supply services (including services relating to internet access or access to any electronic network), to you or to others for your account;
- (c) Accept your products or services;
- (d) Manufacture products for delivery to your customers under contract of sale; or
- (e) Attract customers to your business.

- (3) With respect only to the insurance provided under this Additional Coverage, the following changes apply:

- (a) The Extended Business Income Additional Coverage is amended by the following:

The loss of Business Income or loss of "Rental Value" must be caused by direct physical loss or damage at the premises of a Dependent Property caused by or resulting from a Covered Cause of Loss. However, for this Additional Coverage, we will not pay for loss or damage caused by or resulting from Earthquake, Volcanic Eruption and Flood even if they are otherwise Covered Causes of Loss.

- (b) The Resumption of Operations Loss Condition is amended as follows:

We will reduce the amount of your Business Income loss to the extent you can resume your "operations" in whole or in part, by using any other available source of materials or outlet for your products or services.



(4) The most we will pay for loss in any one occurrence under this Additional Coverage is:

- (a) \$25,000 unless a different Limit of Insurance is shown in the Tier 2 Schedule; or
- (b) The sum of the Limits of Insurance shown on the Declarations that applies to loss of Business Income and Extra Expense under this Coverage form when direct physical loss occurs to property at the described premises, whichever is less. The limit applicable to this Additional Coverage is an additional amount of insurance.

However, if covered loss to Miscellaneous Dependent Property results from a "Named Storm" including but not limited to wind, wind driven rain, flood or hail, caused by or associated with a "Named Storm", the most we will pay in any one occurrence at any one dependent property location under this extension is \$5,000 and the most we will pay for all loss or damage sustained in any one policy year is \$25,000, regardless of the number of occurrences of loss or damage or the number of premises or locations involved.

Under 6. Coverage Extension, Newly Acquired Locations, paragraph c. subparagraph (2) is changed from 30 days to 180 days.

#### **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM AMENDMENT**

Under Section A. Coverage, 4. Additional Coverages the following is added:

##### **f. Business Income From Dependent Properties**

- (1) The insurance provided for loss of Business Income and Extra Expense is extended to apply to the actual and necessary amount of such loss which you incur due to the necessary "suspension" of "operations" during the "period of restoration" caused by direct physical loss of or damage by a Covered Cause of Loss to property at the premises of a Dependent Property not specifically described under the Business Income From Dependent Properties - Broad Form endorsement or under the Business Income From Dependent Properties - Limited Form endorsement. However, for this ad-

ditional coverage, we will not pay for loss or damage caused by or resulting from Earthquake, Volcanic Eruption and Flood, even if they are otherwise Covered Causes of Loss.

(2) Dependent property means property at premises located anywhere in the world, which is operated by others on whom you depend to:

- (a) Deliver materials or services to you or to others for your account;
- (b) Deliver services, other than power, water or communication supply services (including services relating to internet access or access to any electronic network), to you or to others for your account;
- (c) Accept your products or services;
- (d) Manufacture products for deliver to your customers under contract of sale; or
- (e) Attract customers to your business.

(3) With respect only to the insurance provided under this Additional Coverage, the following changes apply:

- (a) The Extended Business Income Additional Coverage is amended by the following:

The loss of Business Income or loss of "Rental Value" must be caused by direct physical loss or damage at the premises of a Dependent Property caused by or resulting from a Covered Cause of Loss. However, for this Additional Coverage, we will not pay for loss or damage caused by or resulting from Earthquake, Volcanic Eruption and Flood even if they are otherwise Covered Causes of Loss.

- (b) The Resumption of Operations Loss Condition is amended as follows:

We will reduce the amount of your Business Income loss to the extent you can resume your "operations" in whole or in part, by using any other available source of materials or outlet for your products or services.

- (4) The most we will pay for loss in any one occurrence under this Additional Coverage is:
- (a) \$25,000 unless a different Limit of Insurance is shown in the Tier 2 schedule; or
  - (b) The sum of the Limits of Insurance shown on the Declarations that applies to loss of Business Income and Extra Expense under this Coverage form when direct physical loss occurs to property at the described premises, whichever is less. The limit applicable to this Additional Coverage is an additional amount of insurance.

However, if covered loss to Miscellaneous Dependent Property results from a "Named Storm" including but not limited to wind, wind driven rain, flood or hail, caused by or associated with a "Named Storm," the most we will pay in any one occurrence at any one dependent property location under this extension is \$5,000 and the most we will pay for all loss or damage sustained in any one policy year is \$25,000, regardless of the number of occurrences of loss or damage or the number of premises or locations involved.

Under **5. Coverage Extension, NEWLY ACQUIRED LOCATIONS**, paragraph c. subparagraph (2) is changed from 30 days to 180 days.

#### **CAUSES OF LOSS - SPECIAL FORM AMENDMENT**

Under **Section C. Limitations**, subparagraph 3.c., the limit is changed from \$2,500 to \$10,000 for patterns, dies, molds and forms.

Under **Section C. Limitations**, subparagraph 3.d., the limit is changed from \$250 to \$500 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

Under **Section G. Definitions**, the following are added:

- 3. "Computer Equipment" means a network of machine components capable of accepting information processing it according to plan and producing the desired results. It includes air conditioning, fire protection equipment and electrical equipment used exclusively in your computer operations.
- 4. "Data" means facts, concepts or instructions, including computer programs, which are converted to a form usable to your data processing operations.
- 5. "Media" means material on which data are recorded.
- 6. "Computer Programs" means data used to direct computer equipment including diagrams or other records which can be used to reproduce programs.
- 7. "Named Storm" means a storm system identified by the National Weather Service as a tropical windstorm or hurricane.



POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DEBRIS REMOVAL ADDITIONAL INSURANCE**

This endorsement modifies insurance provided under the following:

BUILDERS' RISK COVERAGE FORM  
 BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 CONDOMINIUM ASSOCIATION COVERAGE FORM  
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
 STANDARD PROPERTY POLICY  
 TOBACCO SALES WAREHOUSES COVERAGE FORM

**SCHEDULE\***

<b>Prem. No.</b>	<b>Bldg. No.</b>	<b>Debris Removal Amount</b>	<b>Additional Premium</b>
<b>Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.</b>			
<p>* Information required to complete this Schedule, If not shown on this endorsement will be shown in the Declarations.</p>			

The additional limit of \$10,000 for debris removal in the **Debris Removal** Additional Coverages section is replaced by the higher amount shown in the Schedule.

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POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ORDINANCE OR LAW COVERAGE**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 CONDOMINIUM ASSOCIATION COVERAGE FORM  
 STANDARD PROPERTY POLICY

**SCHEDULE\***

Prem. No./ Bldg. No.	Cov. A	Cov. B Limit Of Insurance	Cov. C Limit Of Insurance	Cov. B and C Combined Limit Of Insurance
/	<input type="checkbox"/>	\$	\$	\$ **
/	<input type="checkbox"/>	\$	\$	\$ **
/	<input type="checkbox"/>	\$	\$	\$ **

**Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.**

\* Information required to complete the Schedule, if not shown on this endorsement, will be shown in the Declarations.

\*\* Do **not** enter a Combined Limit of Insurance if individual Limits of Insurance are selected for Coverages **B** and **C**, or if one of these Coverages is not applicable.

**A.** Each Coverage - Coverage **A**, Coverage **B** and Coverage **C** - is provided under this endorsement only if that Coverage(s) is chosen by entry in the above Schedule and then only with respect to the building identified for that Coverage(s) in the Schedule.

**B. Application Of Coverage(s)**

The Coverage(s) provided by this endorsement apply only if both **B.1.** and **B.2.** are satisfied and are then subject to the qualifications set forth in **B.3.**

**1. The ordinance or law;**

**a.** Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and

**b.** Is in force at the time of loss.

But coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.

**2. a.** The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or

**b.** The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.

**c.** The building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical damage.

**3.** In the situation described in **B.2.b.** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B** and/or **C** of this endorsement. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Section H. of this endorsement provides an example of this procedure.)

However, if the covered direct physical damage, alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverages A, B and/or C of this endorsement.

**C. We will not pay under Coverage A, B or C of this endorsement for:**

1. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
2. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

**D. Coverage**

**1. Coverage A - Coverage For Loss To The Undamaged Portion Of The Building**

With respect to the building that has sustained direct physical damage, we will pay under Coverage A for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

Coverage A is included within the Limit of Insurance shown in the Declarations as applicable to the covered building. Coverage A does not increase the Limit of Insurance.

**2. Coverage B - Demolition Cost Coverage**

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such damaged property.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

**3. Coverage C - Increased Cost Of Construction Coverage**

- a. With respect to the building that has sustained covered direct physical damage, we will pay for the increased cost to:

- (1) Repair or reconstruct damaged portions of that building; and/or
- (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (2) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction Coverage.

- b. When a building is damaged or destroyed and Coverage C applies to that building in accordance with 3.a. above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in 3.a.:

- (1) The cost of excavations, grading, backfilling and filling;
- (2) Foundation of the building;
- (3) Pilings; and
- (4) Underground pipes, flues and drains.

The items listed in b.(1) through b.(4) above are deleted from Property Not Covered, but only with respect to the coverage described in this Provision, 3.b.

**E. Loss Payment**

1. All following loss payment Provisions, E.2. through E.5., are subject to the appointment procedures set forth in Section B.3. of this endorsement.

2. When there is a loss in value of an undamaged portion of a building to which Coverage A applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

- a. If the Replacement Cost Coverage Option applies and the property is not being repaired or replaced, on the same or another premises, we will not pay more than the lesser of:

- (1) The amount you would actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or

- (2) The Limit of Insurance shown in the Declarations as applicable to the covered building.

- b. If the Replacement Cost Coverage Option applies and the property is **not** repaired or replaced, or if the Replacement Cost Coverage Option does **not** apply, we will not pay more than the lesser of:

- (1) The actual cash value of the building at the time of loss; or

- (2) The Limit of Insurance shown in the Declarations as applicable to the covered building.

3. Unless Paragraph E.5. applies, loss payment under Coverage B - Demolition Cost Coverage will be determined as follows:

We will not pay more than the lesser of the following:

- a. The amount you actually spend to demolish and clear the site of the described premises; or
- b. The applicable Limit of Insurance shown for Coverage B in the Schedule above.

4. Unless Paragraph E.5. applies, loss payment under Coverage C - Increased Cost of Construction Coverage will be determined as follows:

- a. We will not pay under Coverage C:

- (1) Until the property is actually repaired or replaced, at the same or another premises; and

- (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

- b. If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under Coverage C is the lesser of:

- (1) The increased cost of construction at the same premises; or

- (2) The applicable Limit of Insurance shown for Coverage C in the Schedule above.

- c. If the ordinance or law requires relocation to another premises, the most we will pay under Coverage C is the lesser of:

- (1) The increased cost of construction at the new premises; or

- (2) The applicable Limit of Insurance shown for Coverage C in the Schedule above.

5. If a **Combined** Limit of Insurance is shown for Coverages B and C in the Schedule above, Paragraphs E.3. and E.4. of this endorsement do not apply with respect to the building that is subject to the Combined Limit, and the following loss payment provisions apply instead:

The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the Combined Limit of Insurance shown for Coverages B and C in the Schedule above. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

- a. For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

- b. With respect to the Increased Cost of Construction:

- (1) We will not pay for the increased cost of construction:

- (a) Until the property is actually repaired or replaced, at the same or another premises; and

- (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- (2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.
- (3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.
- F. The terms of this endorsement apply separately to each building to which this endorsement applies.
- G. Under this endorsement we will not pay for loss due to any ordinance or law that:
  - 1. You were required to comply with before the loss, even if the building was undamaged; and
  - 2. You failed to comply with.
- H. Example of Proportionate Loss Payment for Ordinance or Law Coverage Losses (procedure as set forth in Section B.3. of this endorsement)
 

Assume:

  - Wind is a Covered Cause of Loss; Flood is an excluded Cause of Loss
  - The building has a value of \$200,000

- Total direct physical damage to building: \$100,000
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value
- Portion of direct physical damage that is covered (caused by wind): \$30,000
- Portion of direct physical damage that is not covered (caused by flood): \$70,000
- Loss under Ordinance or Law Coverage C of this endorsement: \$60,000

**Step 1:**

Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$$\$30,000 \div \$100,000 = .30$$

**Step 2:**

Apply that proportion to the Ordinance or Law loss.

$$\$60,000 \times .30 = \$18,000$$

In this example, the most we will pay under this endorsement for the Coverage C loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

NOTE: The same procedure applies to losses under Coverages A and B of this endorsement.

- I. The following definition is added:

"Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PEAK SEASON LIMIT OF INSURANCE**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
 STANDARD PROPERTY POLICY

**SCHEDULE\***

Prem. No.	Bldg. No.	Covered Property	Additional Limit of Insurance	Peak Season	
				Period	
				From	To

**Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.**

The Limit of Insurance on covered personal property is increased to include the amount shown in the Schedule:

- A.** At the described location(s); and
- B.** Only from 12:01 A.M. Standard Time of the first day to 12:01 A.M. Standard Time of the last day of the applicable period(s) shown in the Schedule.

\* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

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POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## POLLUTANT CLEAN UP AND REMOVAL ADDITIONAL AGGREGATE LIMIT OF INSURANCE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 CONDOMINIUM ASSOCIATION COVERAGE FORM  
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
 BUILDERS' RISK COVERAGE FORM  
 STANDARD PROPERTY POLICY  
 TOBACCO SALES WAREHOUSE COVERAGE FORM

**SCHEDULE\***

Prem. No.	Additional Aggregate Limit of Insurance	Deductible	Additional Premium
--------------	--	------------	-----------------------

**Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.**

**A.** The \$10,000 annual aggregate limit for the POLLUTANT CLEAN UP AND REMOVAL Additional Coverage is increased by the Additional Aggregate Limit of Insurance shown in the Schedule.

The remaining aggregate from the basic Additional Coverage (assuming \$4,000 has previously been paid for the same policy year) is \$ 6,000

**B.** We will not pay under this endorsement for "pollutants" clean up or removal costs in any occurrence until the total of all such costs exceeds the sum of:

The Deductible shown in the Schedule is \$10,000

The Pollutant Clean Up and Removal Additional Aggregate Limit of Insurance is \$25,000

1. The \$10,000 aggregate limit from the basic Pollutant Clean Up and Removal Additional Coverage, less any prior payments for the same policy year; plus

We will determine the most we will pay under this endorsement as follows:

The cost incurred \$40,000

Less the sum of the remaining  
 basic Additional Coverage  
 aggregate \$ 6,000  
 and the Deductible 10,000 -16,000

2. The Deductible shown in the Schedule.

We will then pay the costs in excess of that sum, until the Additional Aggregate Limit of Insurance shown in the Schedule is used up during the applicable 12-month period.

The most we will pay under this endorsement is \$24,000.

The remaining benefit under this endorsement for costs incurred for the policy year is \$1,000.

Example:

The cost of "pollutants" clean up and removal is \$40,000

**C.** No other Deductible in this policy applies to this endorsement.

\*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

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POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****SPOILAGE COVERAGE**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM**SCHEDULE**

Premises Number	Building Number	Limit Of Insurance
<b>Description Of Property:</b> <b>Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.</b>  <b>Deductible: \$500</b> <b>Refrigeration Maintenance Agreement:</b>		
<b>Causes Of Loss</b>		
<b>Breakdown Or Contamination:</b>		
<b>Information required to complete this Schedule, if not shown above, will be shown in the Declarations</b>		

The Coverage Form to which this endorsement applies is extended to insure against direct physical loss or damage by the Covered Causes of Loss, but only with respect to coverage provided by this endorsement.

**A. Paragraph A.1., Covered Property** is replaced by the following:

**1. Covered Property**

Covered Property means "perishable stock" at the described premises owned by you or by others that is in your care, custody or control.

**B.** With respect to the coverage provided by this endorsement, property located on buildings or in the open or in vehicles is considered to be Property Not Covered.

**C. Paragraph A.3., Covered Causes Of Loss** is replaced by the following:

**3. Covered Causes Of Loss**

Covered Causes of Loss means the following only if indicated by an "X" in the Schedule:

**a.** Breakdown or Contamination, meaning:

**(1)** Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or apparatus is at the described premises; and

**(2)** Contamination by the refrigerant.

**b.** Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

**D. Selling Price**

If Selling Price is indicated by an "X" in the Schedule, the following is added to the **Valuation** Loss Condition:

We will determine the value of finished "perishable stock" in the event of loss or damage at:

**1.** The selling price, as if no loss or damage had occurred;

2. Less discounts and expenses you otherwise would have had.

E. Paragraph **A.5., Coverage Extensions** does not apply.

F. Paragraph **B. Exclusions** is replaced by the following:

**B. Exclusions**

1. Only the following Exclusions contained in Paragraph **B.1.** of the Causes of Loss Form applicable to this Coverage Part apply to Spoilage Coverage:

- a. Earth Movement;
- b. Governmental Action;
- c. Nuclear Hazard;
- d. War And Military Action; and
- e. Water.

2. The following Exclusions are added:

We will not pay for loss or damage caused by or resulting from:

- a. The disconnection of any refrigerating, cooling or humidity control system from the source of power.
- b. The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- c. The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
  - (1) Lack of fuel; or
  - (2) Governmental order.
- d. The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.

- e. Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

G. Paragraph **D. Deductible** is replaced by the following:

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Schedule of this endorsement. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance. No other deductible in this policy applies to the coverage provided by this endorsement.

H. Paragraph **F., Additional Conditions** is replaced by the following:

**ADDITIONAL CONDITION**

The following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

**REFRIGERATION MAINTENANCE AGREEMENTS**

If Breakdown or Contamination is designated as a Covered Cause of Loss and a refrigeration maintenance agreement is shown as applicable by an "X" in the Schedule, the following condition applies:

You must maintain a refrigeration maintenance or service agreement. If you voluntarily terminate this agreement and do not notify us, the insurance provided by this endorsement will be automatically suspended at the involved location.

I. Paragraph **G., Optional Coverages** does not apply.

J. The following is added to the **Definitions**:

"**Perishable stock**" means personal property:

- a. Maintained under controlled conditions for its preservation; and
- b. Susceptible to loss or damage if the controlled conditions change.

POLICY NUMBER: TRA 5284060

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****UTILITY SERVICES - DIRECT DAMAGE**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 BUILDERS' RISK COVERAGE FORM  
 CONDOMINIUM ASSOCIATION COVERAGE FORM  
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
 STANDARD PROPERTY POLICY  
 TOBACCO SALES WAREHOUSES COVERAGE FORM

**SCHEDULE\***

Prem. No.	Bldg. No.	Utility Services Limit Of Insurance	Enter "X" for each applicable Property				
			Water Supply Property	Communi- cation Supply Property (including overhead transmis- sion lines)	Communi- cation Supply Property (not including overhead transmis- sion lines)	Power Supply Property (including overhead transmis- sion lines)	Power Supply Property (not including overhead transmis- sion lines)
		\$					
<b>Covered Property:</b>							
<b>Causes Of Loss Form Applicable:</b>							
<b>Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.</b>							
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.							

**A.** We will pay for loss of or damage to Covered Property described in the Schedule, caused by an interruption of service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss (as indicated in the Schedule) to the property described in Paragraph C. if such property is indicated by an "X" in the Schedule.

**B. Exception**

Coverage under this endorsement for loss or damage to Covered Property does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

**C. Utility Services**

**1. Water Supply Services**, meaning the following types of property supplying water to the described premises:

- a. Pumping stations; and
- b. Water mains.

**2. Communication Supply Services**, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- a. Communication transmission lines, including optic fiber transmission lines;
- b. Coaxial cables; and
- c. Microwave radio relays except satellites.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

3. **Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;
- d. Transformers; and
- e. Transmission lines.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

D. If a Utility Services Limit Of Insurance is shown in the Schedule, such limit is part of, not in addition to, the Limit of Insurance stated in the Declarations or in the Separation Of Coverage endorsement as applicable to the Covered Property.

If no Limit of Insurance is shown for Utility Services, coverage under this endorsement is subject to the applicable Limit of Insurance on the Covered Property as shown in the Declarations or in the Separation Of Coverage endorsement. But this Utility Services endorsement does not increase the applicable Limit of Insurance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BRANDS AND LABELS**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CONDOMINIUM ASSOCIATION COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
STANDARD PROPERTY POLICY

- A.** If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:
1. Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
  2. Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.
- B.** We will pay reasonable costs you incur to perform the activity described in **A.1.** or **A.2.** above. But the total we pay for these costs and the value of the damaged property will not exceed the applicable Limit of Insurance on such property.

**Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.**



# LIABILITY COVERAGE

LIABILITY COVERAGE

LIABILITY COVERAGE




**WESTFIELD**  
**INSURANCE**

Sharing Knowledge. Building Trust.®

**RENEWAL**  
**GENERAL LIABILITY DECLARATIONS**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

**MAXIM CONSTRUCTION CORP**  
**31632 N ELLIS DR UNIT 111**  
**VOLO IL 60073**
**MARKET FINANCIAL GROUP**  
**240 COMMERCE DRIVE**  
**CRYSTAL LAKE IL 60014-3549**  
**TELEPHONE 815-459-3300**
**Policy Number: TRA 5 284 060**

| 11 |

**WIC Account Number: 1200801619**

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13
**at 12:01 A.M. Standard Time at your**  
**mailing address shown above.**
**LIMITS OF INSURANCE -**

General Aggregate Limit (Other Than Products/Completed Operations)	\$2,000,000
Products/Completed Operations Aggregate Limit	\$2,000,000
Personal & Advertising Injury Limit (Per Person Or Organization)	\$1,000,000
Each Occurrence Limit	\$1,000,000
Damage to Premises Rented to You Limit	(Any One Premises) \$300,000
Medical Expense Limit	(Any One Person) \$10,000

**TOTAL ADVANCE ANNUAL GENERAL LIABILITY PREMIUM \$33,043.00**
**Deductible Liability Insurance Applies****Forms And Endorsements Applicable To This Coverage Part:**

CG2167 1204*, CG0300A	0196*, CG0435	1207*, CG2010	0704*, CG2010	1001*,
CG0001 1207*, IL0021	0908*, CG7000	1298*, CG2503	0509*, CG2504A	0509*,
CG2147 1207*, CG7068	0103*, CG0068	0509*, CG2170	0108*, CG7055	1298*,
CG2659 0600*, CG0200	1207*, CG2426	0704*, CG2186	1204*, IL7013	1206*,
CG7017 1298*, CG2279	0798*, CG2037	1001*, CG2196	0305*, CG2037	0704*,
CG2033 0704*, CG7087	0105*, CG7094	0805*,		

**WESTFIELD****INSURANCE**

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**RENEWAL  
GENERAL LIABILITY DECLARATIONS  
(Continued)**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMENCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13

at 12:01 A.M. Standard Time at your  
mailing address shown above.

Location Of All Premises Owned By, Rented To Or Controlled By The Named Insured  
Are The Same As The Mailing Address Of The Policy Declarations Unless Otherwise  
Indicated.

**GENERAL LIABILITY SCHEDULE****PREMIUM BASIS LEGEND -****S = GROSS PER \$1,000****SALES****P = PAYROLL PER \$1,000****O = OTHERS PER \$1,000****A = AREA PER 1,000 SQ. FT.****C = TOTAL COST PER \$1,000****M = ADMISSIONS PER 1,000****U = UNITS PER UNIT****T = SEE CLASSIFICATION  
NOTES****RATE LEGEND -****PREM/OP = PREMISES AND OPERATIONS****PROD = PRODUCTS AND COMPLETED OPERATIONS****CHPOPS = COMPOSITE PREMISES AND OPERATIONS****CHPPRO = COMPOSITE PRODUCTS AND COMPLETED OPERATIONS****CHPCBN = COMPOSITE PREMISES/PRODUCTS COMPLETED OPERATIONS****MP = MINIMUM PREMIUM****CLASSIFICATION  
ILLINOIS****CODE****PREMIUM  
BASIS****RATE****PREMIUM**

31632 N ELLIS DR UNIT 111/112  
VOLO IL 60073  
VILLAGE OF BLOOMINGDALE  
IL7035

44444

FLATCHARGE

PREM/OP

\$50

CARPENTRY - CONSTRUCTION OF  
RESIDENTIAL PROPERTY NOT  
EXCEEDING THREE STORIES IN  
HEIGHT

91340

P  
IF ANYPREM/OP  
PROD.9.088  
6.453

CARPENTRY

91342

P  
360,000PREM/OP  
PROD.10.895  
3.927\$3,922  
\$1,414

CONCRETE CONSTRUCTION

91560

P  
400,000PREM/OP  
PROD.12.559  
2.643\$5,024  
\$1,057

CONTRACTORS - EXECUTIVE  
SUPERVISORS OR EXECUTIVE  
SUPERINTENDENTS - INCLUDING  
PRODUCTS AND/OR COMPLETED  
OPERATIONS. PRODUCTS-COMPLETED  
OPERATIONS INCLUDED IN THIS  
CLASSIFICATION ARE SUBJECT TO  
THE GENERAL AGGREGATE LIMIT.

91580

P  
100,000

PREM/OP

19.430

\$1,943

CONTRACTORS - SUBCONTRACTED  
WORK - IN CONNECTION WITH  
CONSTRUCTION, RECONSTRUCTION,  
REPAIR OR ERECTION OF  
BUILDINGS

91585

C  
6,000,000PREM/OP  
PROD..282  
1.426\$1,692  
\$8,556

MACHINERY OR EQUIPMENT -  
INSTALLATION, SERVICING OR  
REPAIR

97223

P  
300,000PREM/OP  
PROD.4.679  
5.788\$1,404  
\$1,736

**WESTFIELD****INSURANCE**

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**RENEWAL  
GENERAL LIABILITY DECLARATIONS  
(Continued)**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMENCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13at 12:01 A.M. standard Time at your  
mailing address shown above.**CLASSIFICATION****CODE****PREMIUM  
BASIS****RATE**  
PREM/OP**PREMIUM**  
\$50BAXTER & WOODMAN INC  
IL7035

444444

FLATCHARGE

LINDENHURST SANITARY DIST  
IL 7035

444444

FLATCHARGE

PREM/OP

\$50

STRAND ASSOCIATES INC  
IL7035

444444

FLATCHARGE

PREM/OP

\$50

AC132

444444

FLATCHARGE

PROD.

\$100

PREM/OP MP \$80  
PROD MP \$78

**OTHER ENDORSEMENTS -**

EMPLOYEE BENEFITS LIABILITY COVERAGE - CG0435

\$245

ADDL INSD - OWNER, LESSEE OR CONTRACTOR

\$1,000

ADDL INSD-OWNER, LESSEE OR CONTRACTOR COMPLETED OP

\$1,500

GENERAL LIABILITY EXPANDED PLUS COVERAGE-99994

\$1,000

CONTRACTORS HOME REPAIR AND REMODELING - CG2659

\$100

**TOTAL**

TOTAL PREMIUM - PREMISES AND OPERATIONS

\$14,185

TOTAL PREMIUM - PRODUCTS AND COMPLETED OPERATIONS

\$12,863

TOTAL PREMIUM - BLANKET OTHER INSURANCE CONDITION AMENDED (CG7055)

\$150

TOTAL PREMIUM - BLANKET ADDL INSD (CG7087)

\$1,000

TOTAL PREMIUM - BLANKET ADDL INSD OWNERS LESSEES OR CONTRACTORS

\$1,000

TOTAL PREMIUM - OTHER ENDORSEMENTS

\$3,845

**TOTAL ADVANCE ANNUAL GENERAL LIABILITY PREMIUM**

\$33,043


**WESTFIELD  
INSURANCE**

Sharing Knowledge. Building Trust.®

**RENEWAL  
GENERAL LIABILITY DECLARATIONS  
(Continued)**

COMPANY PROVIDING COVERAGE		WESTFIELD INSURANCE COMPANY		
NAMED INSURED AND MAILING ADDRESS	AGENCY	12-01151	PROD.	000
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073	MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300			
Policy Number: TRA 5 284 060   11		WIC Account Number: 1200801619   M		
Policy Period	From 01/01/12 To 01/01/13	at 12:01 A.M. Standard Time at your mailing address shown above.		

**ADDITIONAL INSURED**

VILLAGE OF BLOOMINGDALE  
ILLINOIS  
201 S BLOOMINGDALE RD  
BLOOMINGDALE IL 60108  
ADDITIONAL INSURED -  
OWNER, LESSEE OR CONTRACTOR  
COMPLETED (CG2010)

LINDENHURST SANITARY DIST  
VILLAGE OF LINDENHURST  
2301 E SAND LAKE ROAD  
LINDENHURST IL 60046  
ADDITIONAL INSURED -  
OWNER, LESSEE OR CONTRACTOR  
COMPLETED (CG2010)

AUTOMATIC STATUS-REQUIRED BY  
WRITTEN CONTRACT OR AGREEMENT  
CG2010  
VOLO IL 60073  
ADDITIONAL INSURED -  
OWNER, LESSEE OR CONTRACTOR  
COMPLETED (CG2010)

LINDENHURST SANITARY DIST  
VILLAGE OF LINDENHURST  
2301 E SAND LAKE ROAD  
LINDENHURST IL 60046  
ADDITIONAL INSURED -  
OWNER, LESSEE OR CONTRACTOR  
COMPLETED (CG2037)

STRAND ASSOCIATES INC  
910 WEST WINGRA DRIVE  
MADISON WI 53715  
ADDITIONAL INSURED -  
OWNER, LESSEE OR CONTRACTOR  
COMPLETED (CG2010)

BAXTER & WOODMAN INC  
8678 RIDGEFIELD RD  
CRYSTAL LAKE IL 60014  
ADDITIONAL INSURED -  
OWNER, LESSEE OR CONTRACTOR  
COMPLETED (CG2010)

NORTH SHORE SANITARY DISTRICT  
PO BOX 750 WM KOEPEL DRIVE  
GURNEE IL 60031  
ADDITIONAL INSURED -  
OWNER, LESSEE OR CONTRACTOR  
COMPLETED (CG2010)

AUTOMATIC STATUS-REQUIRED BY  
WRITTEN CONTRACT OR AGREEMENT  
CG 2037  
VOLO IL 60073  
ADDITIONAL INSURED -  
OWNER, LESSEE OR CONTRACTOR  
COMPLETED (CG2037)

NORTH SHORE SANITARY DISTRICT  
PO BOX 750 WM KOEPEL DRIVE  
GURNEE IL 60031  
ADDITIONAL INSURED -  
OWNER, LESSEE OR CONTRACTOR  
COMPLETED (CG2037)

STRAND ASSOCIATES INC  
910 WEST WINGRA DRIVE  
MADISON WI 53715  
ADDITIONAL INSURED -  
OWNER, LESSEE OR CONTRACTOR  
COMPLETED (CG2037)

**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. The following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**Fungi or Bacteria**

- a. "Bodily injury" or "property damage"** which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expense** arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B. The following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Fungi or Bacteria**

- a. "Personal and advertising injury" or** which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expense** arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C. The following definition is added to the Definitions Section:**

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

POLICY NUMBER: TRA 5284060

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DEDUCTIBLE LIABILITY INSURANCE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**SCHEDULE**

<b>Coverage</b>	<b>Amount and Basis of Deductible</b>	
	<b>PER CLAIM</b>	<b>or PER OCCURRENCE</b>
Bodily Injury Liability	\$	\$
OR		
Property Damage Liability	\$	\$ 1,000
OR		
Bodily Injury Liability and/or Property Damage Liability Combined	\$	\$

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**APPLICATION OF ENDORSEMENT** (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury" and "property damage", however caused): -

*If any other endorsement modifying the COMMERCIAL GENERAL LIABILITY COVERAGE PART contains a deductible clause, then this endorsement does not apply to any claim covered by that endorsement.*

- A.** Our obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.
- B.** You may select a deductible amount on either a per claim or a per "occurrence" basis. Your selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the Schedule above applies as follows:
- 1. PER CLAIM BASIS.** If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:
    - a.** Under Bodily Injury Liability Coverage, to all damages sustained by any one person because of "bodily injury";
    - b.** Under Property Damage Liability Coverage, to all damages sustained by any one person because of "property damage"; or
    - c.** Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages sustained by any one person because of:
      - (1)** "Bodily injury";
      - (2)** "Property damage"; or
      - (3)** "Bodily injury" and "property damage" combined
- as the result of any one "occurrence".



If damages are claimed for care, loss of services or death resulting at any time from "bodily injury", a separate deductible amount will be applied to each person making a claim for such damages.

With respect to "property damage", person includes an organization.

**2. PER OCCURRENCE BASIS.** If the deductible amount indicated in the Schedule above is on a "per occurrence" basis, that deductible amount applies as follows:

- a. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
- b. Under Property Damage Liability Coverage, to all damages because of "property damage"; or
- c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:

(1) "Bodily injury";

(2) "Property damage"; or

(3) "Bodily injury" and "property damage" combined

as the result of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".

**C.** The terms of this insurance, including those with respect to:

1. Our right and duty to defend the insured against any "suits" seeking those damages; and
2. Your duties in the event of an "occurrence," claim, or "suit"

apply irrespective of the application of the deductible amount.

**D.** We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

POLICY NUMBER: TRA 5284060

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EMPLOYEE BENEFITS LIABILITY COVERAGE****THIS ENDORSEMENT PROVIDES CLAIMS-MADE COVERAGE.  
PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Coverage	Limit Of Insurance	Each Employee Deductible	Premium
Employee Benefits	\$ 1,000,000 each employee	\$ 1,000	\$ INCL
Programs	\$ 2,000,000 aggregate		
Retroactive Date:	09/15/10		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.			

**A. The following is added to Section I - Coverages:****COVERAGE - EMPLOYEE BENEFITS LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any "claim" or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Paragraph D. (Section III - Limits Of Insurance); and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or ser-

vices is covered unless explicitly provided for under Supplementary Payments.

**b. This insurance applies to damages only if:**

- (1) The act, error or omission, is negligently committed in the "administration" of your "employee benefit program";
- (2) The act, error or omission, did not take place before the Retroactive Date, if any, shown in the Schedule nor after the end of the policy period; and
- (3) A "claim" for damages, because of an act, error or omission, is first made against any insured, in accordance with Paragraph c. below, during the policy period or an Extended Reporting Period we provide under Paragraph F. of this endorsement.

**c. A "claim" seeking damages will be deemed to have been made at the earlier of the following times:**

- (1) When notice of such "claim" is received and recorded by any insured or by us, whichever comes first; or
- (2) When we make settlement in accordance with Paragraph a. above.

A "claim" received and recorded by the insured within 60 days after the end of the policy period will be considered to have been received within the policy period, if no subsequent policy is available to cover the claim.

- d. All "claims" for damages made by an "employee" because of any act, error or omission, or a series of related acts, errors or omissions, including damages claimed by such "employee's" dependents and beneficiaries, will be deemed to have been made at the time the first of those "claims" is made against any insured.

## 2. Exclusions

This insurance does not apply to:

### a. Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

### b. Bodily Injury, Property Damage, Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

### c. Failure to Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

### d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

### e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any "claim" based upon:

- (1) Failure of any investment to perform;
- (2) Errors in providing information on past performance of investment vehicles; or
- (3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

### f. Workers' Compensation And Similar Laws

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

### g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

### h. Available Benefits

Any "claim" for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

### i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

### j. Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

## B. For the purposes of the coverage provided by this endorsement:

- 1. All references to Supplementary Payments - Coverages A and B are replaced by Supplementary Payments - Coverages A, B and Employee Benefits Liability.

- 2. Paragraphs 1.b. and 2. of the Supplementary Payments provision do not apply.

## C. For the purposes of the coverage provided by this endorsement, Paragraphs 2. and 3. of Section II - Who Is An Insured are replaced by the following:

- 2. Each of the following is also an insured:

- a. Each of your "employees" who is or was authorized to administer your "employee benefit program".
- b. Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.

- c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Endorsement.
- 3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However:
  - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
  - b. Coverage under this provision does not apply to any act, error or omission that was committed before you acquired or formed the organization.
- D. For the purposes of the coverage provided by this endorsement, **Section III - Limits Of Insurance** is replaced by the following:

**1. Limits Of Insurance**

- a. The Limits of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:
  - (1) Insureds;
  - (2) "Claims" made or "suits" brought;
  - (3) Persons or organizations making "claims" or bringing "suits";
  - (4) Acts, errors or omissions; or
  - (5) Benefits included in your "employee benefit program".
- b. The Aggregate Limit is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".
- c. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:

- (1) An act, error or omission; or
- (2) A series of related acts, errors or omissions

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

**2. Deductible**

- a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amount stated in the Schedule as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.
- b. The deductible amount stated in the Schedule applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- c. The terms of this insurance, including those with respect to:
  - (1) Our right and duty to defend any "suits" seeking those damages; and
  - (2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or "claim"

apply irrespective of the application of the deductible amount.

- d. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid.

E. For the purposes of the coverage provided by this endorsement, Conditions 2. and 4. of **Section IV - Commercial General Liability Conditions** are replaced by the following:

**2. Duties In The Event Of An Act, Error Or Omission, Or "Claim" Or "Suit"**

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim". To the extent possible, notice should include:

- (1) What the act, error or omission was and when it occurred; and
- (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.

- b. If a "claim" is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organ-

ization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

**4. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

**b. Excess Insurance**

- (1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is effective prior to the beginning of the policy period shown in the Schedule of this insurance and that applies to an act, error or omission on other than a claims-made basis, if:

- (a) No Retroactive Date is shown in the Schedule of this insurance; or

- (b) The other insurance has a policy period which continues after the Retroactive Date shown in the Schedule of this insurance.

- (2) When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of the total amount that all such other insurance would pay for the loss in absence of this insurance; and the total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Schedule of this endorsement.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

F. For the purposes of the coverage provided by this endorsement, the following Extended Reporting Period provisions are added, or, if this endorsement is attached to a claims-made Coverage Part, replaces any similar Section in that Coverage Part:

**EXTENDED REPORTING PERIOD**

1. You will have the right to purchase an Extended Reporting Period, as described below, if:

- a. This endorsement is canceled or not renewed; or
- b. We renew or replace this endorsement with insurance that:

(1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or

(2) Does not apply to an act, error or omission on a claims-made basis.

2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to "claims" for acts, errors or omissions that were first committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Schedule. Once in effect, the Extended Reporting Period may not be canceled.

3. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

- a. The "employee benefit programs" insured;
- b. Previous types and amounts of insurance;
- c. Limits of insurance available under this endorsement for future payment of damages; and
- d. Other related factors.

The additional premium will not exceed 100% of the annual premium for this endorsement.

The Extended Reporting Period endorsement applicable to this coverage shall set forth the terms, not inconsistent with this Section, applicable to the Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Extended Reporting Period starts.

4. If the Extended Reporting Period is in effect, we will provide an extended reporting period aggregate limit of insurance described below, but only for claims first received and recorded during the Extended Reporting Period.

The extended reporting period aggregate limit of insurance will be equal to the dollar amount shown in the Schedule of this endorsement under Limits of Insurance.



Paragraph **D.1.b.** of this endorsement will be amended accordingly. The Each Employee Limit shown in the Schedule will then continue to apply as set forth in Paragraph **D.1.c.**

**G.** For the purposes of the coverage provided by this endorsement, the following definitions are added to the **Definitions** Section:

**1.** "Administration" means:

- a.** Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- b.** Handling records in connection with the "employee benefit program"; or
- c.** Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include handling payroll deductions.

**2.** "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.

**3.** "Claim" means any demand, or "suit", made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.

**4.** "Employee benefit program" means a program providing some or all of the following benefits to "employees", whether providing through a "cafeteria plan" or otherwise:

- a.** Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;

**b.** Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;

**c.** Unemployment insurance, social security benefits, workers' compensation and disability benefits;

**d.** Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and

**e.** Any other similar benefits designated in the Schedule or added thereto by endorsement.

**H.** For the purposes of the coverage provided by this endorsement, Definitions **5.** and **18.** in the **Definitions** Section are replaced by the following:

**5.** "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

**18.** "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:

**a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

**b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<b><u>Name Of Additional Insured Person(s) Or Organization(s):</u></b>	<b><u>Location(s) Of Covered Operations</u></b>

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.



POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name of Person or Organization:**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**A. Section II - Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.

**B.** With respect to the insurance afforded to these additional insureds, the following exclusion is added:

**2. Exclusions**

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- (1) All work, including materials, parts or equipment furnished in

connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or

- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as part of the same project.

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we," "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

**SECTION I - COVERAGES****COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory;"

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

**2. Exclusions**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

**b. Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

**c. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

**d. Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**e. Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract."

**f. Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
  - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
    - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
  - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
- (i) Any insured; or
  - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
  - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
  - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
  - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

definition of "mobile equipment."

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading."

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
  - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
  - (b) the operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunt activity.

**i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard."

**k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard."

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work;" or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product;"
- (2) "Your work;" or
- (3) "Impaired property;"

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**q. Distribution Of Material In Violation Of Statutes**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.



**COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**

material whose first publication took place before the beginning of the policy period.

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may at our discretion investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

**2. Exclusions**

This insurance does not apply to:

**a. Knowing Violation Of Rights Of Another**

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

**b. Material Published With Knowledge Of Falsity**

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

**c. Material Published Prior To Policy Period**

"Personal and advertising injury" arising out of oral or written publication of ma-

**d. Criminal Acts**

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

**e. Contractual Liability**

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

**f. Breach Of Contract**

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

**g. Quality Or Performance Of Goods - Failure To Conform To Statements**

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

**h. Wrong Description Of Prices**

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

**i. Infringement Of Copyright, Patent, Trademark Or Trade Secret**

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

**j. Insureds In Media And Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**k. Electronic Chatrooms Or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**l. Unauthorized Use Of Another's Name Or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**m. Pollution**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

**n. Pollution - Related**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**o. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or de-

fending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**p. Distribution Of Material In Violation Of Statutes**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**COVERAGE C MEDICAL PAYMENTS**

**1. Insuring Agreement**

- a.** We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b.** We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:



(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

## 2. Exclusions

We will not pay expenses for "bodily injury:"

### a. Any insured

To any insured, except "volunteer workers".

### b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

### c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

### d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

### e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

### f. Products - Completed Operations Hazard

Included within the "products-completed operations hazard."

### g. Coverage A Exclusions

Excluded under Coverage A.

## SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

a. All expenses we incur.

b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

c. The cost of bonds to release attachments, but only for bond amounts within

the applicable limit of insurance. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$250 a day because of time off from work.

e. All court costs taxed against the insured in the "suit." However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit," we will defend that indemnitee if all of the following conditions are met:

a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

b. This insurance applies to such liability assumed by the insured;

c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

**(1) Agrees in writing to:**

- (a)** Cooperate with us in the investigation, settlement or defense of the "suit";
- (b)** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c)** Notify any other insurer whose coverage is available to the indemnitee; and
- (d)** Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

**(2) Provides us with written authorization to:**

- (a)** Obtain records and other information related to the "suit"; and
- (b)** Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

**SECTION II - WHO IS AN INSURED****1. If you are designated in the Declarations as:**

- a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also in-

sureds, but only with respect to the conduct of your business.

- c.** A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d.** An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

**2. Each of the following is also an insured:**

- a.** Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

**(1) "Bodily injury" or "personal and advertising injury":**

- (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b)** To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
- (c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1) (a) or (b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
  - c. Any person or organization having proper temporary custody of your property if you die, but only:
    - (1) With respect to liability arising out of the maintenance or use of that property; and
    - (2) Until your legal representative has been appointed.
  - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
  - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company

that is not shown as a Named Insured in the Declarations.

### SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits."
2. The General Aggregate Limit is the most we will pay for the sum of:
  - a. Medical expenses under Coverage **C**;
  - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard;" and
  - c. Damages under Coverage **B**.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard."
4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
  - a. Damages under Coverage **A**; and
  - b. Medical expenses under Coverage **C**

because of all "bodily injury" and "property damage" arising out of any one "occurrence."
6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

#### **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit;"
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may

be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

##### **3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

##### **4. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

###### **a. Primary Insurance**

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

###### **b. Excess Insurance**

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work;"
  - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

- (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
- (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.
- (2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
  - (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
  - (b) The total of all deductible and self-insured amounts under all that other insurance.
- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of in-

surance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**5. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**6. Representations**

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**7. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**8. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.



**9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V - DEFINITIONS**

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

- a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:

- (1) Goods or products made or sold by you in the territory described in Paragraph a. above; or

(2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;

- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
  - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
    - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
    - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
  - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.
10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
11. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto;"
  - b. While it is in or on an aircraft, watercraft or "auto;" or

- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos:"

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;



- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- 13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - f. The use of another's advertising idea in your "advertisement"; or
  - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- 15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 16. "Products-completed operations hazard":
  - a. Includes all "bodily injury" and "property damage" occurring away from premises

you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
  - (a) When all of the work called for in your contract has been completed.
  - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
  - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
  - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
  - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products - completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
  - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
21. "Your product":
  - a. Means:
    - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You;
  - (b) Others trading under your name; or
  - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product;" and
    - (2) The providing of or failure to provide warnings or instructions.
  - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
22. "Your work":
    - a. Means:
      - (1) Work or operations performed by you or on your behalf; and
      - (2) Materials, parts or equipment furnished in connection with such work or operations.
    - b. Includes:
      - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work;" and
      - (2) The providing of or failure to provide warnings or instructions.

POLICY NUMBER: TRA 5284060

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

**Designated Construction Projects:**

All Projects

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
  4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.

- C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.
- D.** If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- E.** The provisions of Section - III Limits of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

POLICY NUMBER: TRA 5284060

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED LOCATION(S) GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE****Designated Location(s):**

All rented, owned and occupied locations other than construction projects.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which can be attributed only to operations at a single designated "location" shown in the Schedule above:
1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General
- Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.
4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:
1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Designated Location General Aggregate Limit.

- C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.
- D. For the purposes of this endorsement, the **Definitions** Section is amended by the addition of the following definition:

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- E. The provisions of Section III Limits of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EMPLOYMENT - RELATED PRACTICES EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **ILLINOIS AMENDMENT TO THE DEFINITION OF "INSURED CONTRACT"**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

The following is added as the last paragraph to SECTION V - DEFINITIONS 9. "Insured contract" in the COMMERCIAL GENERAL LIABILITY COVERAGE PART, AND 8. "Insured contract" in the OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

"Insured contract" does not include your liability to a third party by reason of a Claim or suit against you by that third party for contribution under the Illinois Joint Tortfeasor Contribution Act for damages claimed against such third party as a result of injury to your employee if you have that liability because you have waived, in a contract, your right to limit such liability to the amount of the workers compensation benefits paid for that injured employee under the Illinois Workers Compensation Act.

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COMMERCIAL GENERAL LIABILITY

## RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. Exclusion q. of Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

**q. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**B. Exclusion p. of Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

**p. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

POLICY NUMBER: TRA 5284060

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES - CONTRACTORS - HOME REPAIR  
AND REMODELING**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Limit of Liability for "property damage" arising out of "improper home repair and remodeling" - \$10,000 per "occurrence" unless otherwise indicated below:

\$	Per "occurrence"
\$	Deductible
\$	Premium

**A. The following is added to Section I - Coverages:**

**COVERAGE - IMPROPER HOME REPAIR AND REMODELING**

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "improper home repair and remodeling" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may at our discretion, investigate any incident and settle any claim or "suit" that may result. But:

- (1) The most we will pay for "improper home repair and remodeling" at any one "residence" is \$10,000, in excess of a \$500 deductible, unless other amounts are indicated in the Schedule of this endorsement; and
- (2) Our right and duty to defend end when we have used up that amount in the payment of judgments or settlements for "improper home repair and remodeling".

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies to "improper home repair and remodeling" only if:

- (1) The "improper home repair and remodeling" takes place at a "residence" in the State of Illinois; and
- (2) The "improper home repair and remodeling" was performed by the insured during the policy period.
- (3) The insured issued a written contract or work order prior to initiating the "home repair and remodeling". However, this only applies if the estimated cost of the "home repair and remodeling" was over \$1000.

- c. All "improper home repair and remodeling" performed by you at any one "residence" will be deemed to have been performed at the time any "home repair and remodeling" that is determined to be not in conformance with applicable state, county or municipal building codes at that "residence" was first performed.

**2. Exclusions**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Improper home repair and remodeling" knowingly performed by the insured.

**b. Contractual Liability**

"Improper home repair and remodeling" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

**c. Fines And Penalties**

Any fines, penalties, punitive or exemplary or other non-compensatory damages imposed upon the insured.

However, if we defend the insured against a "suit" seeking damages for "improper home repair" and the "suit" seeks both compensatory and punitive or exemplary damages, we will afford a defense to such actions, but will not be liable for any punitive or exemplary damages.

**d. Owned Property**

"Improper home repair and remodeling" performed at any "residence" owned by, rented or leased by the insured.

**e. Ongoing Work**

"Home repair and remodeling" that has not been completed. "Home repair and remodeling" will be deemed to be completed at the earliest of the following times:

- (1) When all of your work at the "residence" has been completed; or
- (2) When that part of your work at a "residence" has been put to its intended use by any person or organization other than another contractor or subcontractor working at the same "residence".

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

**f. Subcontracted Work**

"Improper home repair and remodeling" performed by a subcontractor.

**g. Pollution Loss, Cost Or Expense**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for

damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**h. New Construction**

New original construction of a "residence".

- B. All references to Supplementary Payments - Coverages A and B are amended to Supplementary Payments - Coverages A, B and Home Repair And Remodeling Liability.**

- C. The following is added to Section V - Definitions:**

"Home repair and remodeling" means the fixing, replacing, altering, converting, modernizing, improving or making of an addition to any real property primarily designed or used as a residence other than maintenance, service or repair under \$500. "Home repair and remodeling" includes the construction, installation, replacement, or improvement of driveways, swimming pools, porches, kitchens, bathrooms, basements, chimney, chimney liners, garages, fences, fallout shelters, central air conditioning, central heating, boilers, furnaces, electrical wiring, sewers, plumbing fixtures, storm doors, windows, roofs, awnings, and other improvements to structures within the residence or upon the land adjacent to the residence.

However, "home repair and remodeling" does not include the sale, installation, cleaning, or repair of carpets; the repair, installation, replacement or connection of any home appliance including but not limited to disposals, refrigerators, ranges, garage door openers, televisions or television antennas, washing machines, telephones, hot water heaters, satellite dishes, or other appliances when the person replacing, installing, repairing or connecting the home appliance are employees or agents of the merchant that sold the home appliance or sold new products of the same type; or landscaping.

"Improper home repair and remodeling" means "home repair and remodeling" that is not in conformance with applicable state, county or municipal codes that were in effect at the time of the "home repair and remodeling".

"Residence" means a single-family home or dwelling or a multiple-family home or dwelling containing 6 or fewer apartments, condominiums, town houses, or dwelling units, used or intended to be used by occupants as dwelling places.

**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES - CANCELLATION  
AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART

- A. CANCELLATION** (Common Policy Conditions)  
is replaced by the following:

**CANCELLATION**

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. We may cancel this policy by mailing to you written notice stating the reason for cancellation. If we cancel:
  - a. For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
  - b. For a reason other than nonpayment of premium, we will mail the notice at least:
    - (1) 30 days prior to the effective date of cancellation if the policy has been in effect for 60 days or less.
    - (2) 60 days prior to the effective date of cancellation if the policy has been in effect for more than 60 days.
3. If this policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
  - a. Nonpayment of premium;
  - b. The policy was obtained through a material misrepresentation;
  - c. Any insured has violated any of the terms and conditions of the policy;
  - d. The risk originally accepted has measurably increased;
  - e. Certification to the Director of Insurance of the loss of reinsurance by

the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

- f. A determination by the Director of Insurance that the continuation of the policy could place us in violation of the insurance laws of this State.

4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. If this policy is cancelled we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

- B.** The following is added and supersedes any provision to the contrary:

**NONRENEWAL**

If we decide not to renew or continue this policy, we will mail you and your agent or broker written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

**C. Mailing of Notices**

We will mail cancellation and nonrenewal notices to you, and the agent or broker, at the last addresses known to us. Proof of mailing will be sufficient proof of notice.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AMENDMENT OF INSURED CONTRACT DEFINITION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

Paragraph 9. of the **Definitions** Section is replaced by the following:

**9. "Insured contract" means:**

- a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement;
- f.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be im-

posed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1)** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2)** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a)** Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b)** Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3)** Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - EXTERIOR INSULATION  
AND FINISH SYSTEMS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:
1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
  2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.
- B.** The following definition is added to the **Definitions** Section:
- "Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:
1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
  2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
  3. A reinforced or unreinforced base coat;
  4. A finish coat providing surface texture to which color may be added; and
  5. Any flashing, caulking or sealant used with the system for any purpose.



**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**SILICA OR SILICA-RELATED DUST EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** The following exclusion is added to Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**Silica Or Silica-Related Dust**

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- B.** The following exclusion is added to Paragraph 2., **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Silica Or Silica-Related Dust**

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- C.** The following definitions are added to the **Definitions** Section:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

POLICY NUMBER: TRA 5284060

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<b>Name Of Additional Insured Person(s) Or Organization(s):</b>	<b>Location(s) And Description Of Covered Operations</b>
ANY PERSONS OR ORGANIZATIONS FOR WHOM YOU ARE PERFORMING OPERATIONS WHEN YOU AND SUCH PERSONS OR ORGANIZATIONS HAVE AGREED IN WRITING IN A CONTRACT OR AGREEMENT THAT SUCH PERSONS OR ORGANIZATIONS BE ADDED AS ADDITIONAL INSURED ON YOUR POLICY.	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by

"your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

POLICY NUMBER: TRA 5284060

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<b>Name Of Additional Insured Person(s) Or Organization(s):</b>	<b>Location(s) And Description Of Covered Operations</b>
LINDENHURST SANITARY DISTRICT VILLAGE OF LINDENHURST 2301 E SAND LAKE ROAD LINDENHURST IL 60046	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by

"your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

POLICY NUMBER: TRA 5284060

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<b>Name Of Additional Insured Person(s) Or Organization(s):</b>	<b>Location(s) And Description Of Covered Operations</b>
STRAND ASSOCIATES INC. 910 WEST WINGRA DRIVE MADISON WI 53715	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by

"your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

POLICY NUMBER: TRA 5284060

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<b>Name Of Additional Insured Person(s) Or Organization(s):</b>	<b>Location(s) And Description Of Covered Operations</b>
NORTH SHORE SANITARY DISTRICT PO BOX 750 WM KOEPEL DRIVE GURNEE, IL 60031	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by

"your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - AUTOMATIC STATUS WHEN  
REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. Section II - Who Is An Insured** is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured.

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

- B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to

render, any professional architectural, engineering or surveying services, including:

- a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- b. Supervisory, inspection, architectural or engineering activities.

2. "Bodily injury" or "property damage" occurring after:

- a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as part of the same project.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - AUTOMATIC STATUS WHEN  
REQUIRED IN CONSTRUCTION AGREEMENT -  
COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. Section II - Who Is An Insured** is amended to include as an additional insured any person or organization when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability caused, in whole or in part, by "your work" performed for that insured and included in the "products-completed operations" hazard.

The coverage afforded to the Additional Insured is solely limited to liability specifically resulting from the conduct of the Named Insured, which may be imputed to the Additional Insured.

- B.** This endorsement provides no coverage to the Additional Insured for liability caused, in whole or in part, out of the claimed negligence of the Additional Insured, other than which may be imputed to the Additional Insured by virtue of the conduct of the Named Insured.
- C.** With respect to the insurance afforded these additional insureds, the following additional exclusion applies:

**This insurance does not apply to:**

1. "Bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part by the rendering of, or the failure to render, any professional architectural, engineering, or surveying services, including:
  - a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawing and specifications; and
  - b. Supervisory, inspection, architectural, or engineering activities.
2. Willful misconduct of, or for defects in design furnished by, the additional insured or its "employees".

As a condition of coverage, the additional insured shall be obligated to tender the defense and indemnity of every claim or suit to all other insurers that may provide coverage to the additional insured, whether contingent, excess or primary.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CONTRACTORS GENERAL LIABILITY EXPANDED PLUS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

**1. SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is amended as follows:

Item **2. Exclusions a.** is deleted and replaced with the following:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force for the purpose of protecting persons or property.

Item **2. Exclusion g. (2) (a)** is deleted and replaced with the following:

**(a)** Less than 60 feet long; and

Item **2. Exclusions j. Damage to Property (4)** does not apply to borrowed equipment unless the "property damage" occurs while such equipment is being used to perform operations at the job site.

Subject to the LIMITS OF INSURANCE the maximum limit we will pay in any one "occurrence" is \$10,000.

Item **2. Exclusions j. (6)** second exception paragraph after **(6)** is deleted and replaced with the following:

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were not occupied, rented or held for rental by you beyond one year from the date "your work" was completed.

Item **2. Exclusions I.** is deleted and replaced with the following:

**I. Damage To Your Work**

"Property damage" to "your work" arising out of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

This exclusion only applies to that particular part of "your work" out of which the damage arises.

The last paragraph of item **2. Exclusions** is deleted and replaced with the following:

Exclusions **c.** through **n.** do not apply to damage by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III - LIMITS OF INSURANCE**.

**2. The following coverages are added to SECTION I - COVERAGES:**

### **VOLUNTARY PROPERTY DAMAGE**

**1. Insuring Agreement**

We will pay, at your request, for "property damage" to property of others caused by you, or while in your possession, arising out of your business operations. The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**.

**2. Exclusions**

Coverage for Voluntary Property Damage does not apply to:

- a.** "Loss" of property at premises owned, rented, leased, operated or used by you.
- b.** "Loss" of property while in transit;
- c.** "Loss" of property owned by, rented to, leased to, borrowed by or used by you;
- d.** The cost of repairing or replacing:
  - (1)** "Your work" defectively or incorrectly done by you; or
  - (2)** "Your product" manufactured, sold or supplied by you;

unless the "property damage" is caused directly by you after delivery of "your product" or completion of "your work" and resulting from a subsequent undertaking.

- e.** "Loss" of property caused by or arising out of the "products-completed operations hazard."

**3. Deductible**

We will not pay for "loss" in any one "occurrence" until the amount of "loss" exceeds \$250. We will then pay the amount of "loss" in excess of \$250, up to the applicable limit of insurance.

**4. Actual Cost**

In the event of covered "loss", you shall, if requested by us, replace the damaged property or furnish the labor and materials necessary for repairs thereto at your actual cost, excluding profit or overhead charges.

**CARE, CUSTODY OR CONTROL****1. Insuring Agreement**

We will pay those sums the insured becomes legally obligated to pay as damages because of "property damage" to property of others while in your care, custody or control or property as to which you are exercising physical control if the "property damage" arises out of your business operations. The amount we will pay for damages is limited as described in **SECTION III - LIMIT OF INSURANCE**

**2. Exclusions**

Coverage for Care, Custody or Control does not apply to:

- a. "Property damage" to property at any premises owned, rented, leased, operated or used by you;
- b. "Property damage" to property while in transit;
- c. The cost of repairing or replacing:
  - (1) "Your work" defectively or incorrectly done by you; or
  - (2) "Your product" manufactured, sold or supplied by you;

unless the "property damage" is caused directly by you after delivery of "your product" or completion of "your work" and resulting from a subsequent undertaking.
- d. "Property damage" to property caused by or arising out of the "products-completed operations hazard".

**3. Deductible**

We will not pay for "property damage" in any one "occurrence" until the amount of "property damage" exceeds \$250. We will then pay the amount of "property

damage" in excess of \$250, up to the applicable limit of insurance.

**4. Actual Cost**

In the event of covered "property damage", you shall, if requested by us, replace the property or furnish the labor and materials necessary for repairs thereto at your actual cost, excluding profit or overhead charges.

**WATER DAMAGE LEGAL LIABILITY****1. Insuring Agreement**

We will pay those sums that the insured becomes legally obligated to pay as damages because of "property damage" arising out of water damage to premises that are both rented to and occupied by you. The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**.

**2. Exclusions**

Coverage for Water Damage Legal Liability does not apply to:

- a. "Property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
- b. "Property damage" caused by or resulting from any of the following:
  - (1) Wear and tear;
  - (2) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
  - (3) Smog or smoke;
  - (4) Settling, cracking, shrinking or expansion;
  - (5) Insects, birds, rodents or other animals; or
  - (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force.
- c. "Property damage" caused directly or indirectly by any of the following:
  - (1) Any earth movement, such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting;

(2) Volcanic eruption, explosion or effusion;

(3) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;

(4) Mudslide or mudflow;

(5) Water that backs up from a sewer or drain; or

(6) Water under the ground surface pressing on, or flowing or seeping through:

(a) Foundations, walls, floors or paved surfaces;

(b) Basements, whether paved or not; or

(c) Doors, windows or other openings.

d. "Property damage" caused by or resulting from any of the following:

(1) Water that leaks or flows from any plumbing, heating, air conditioning or fire protection system caused by or resulting from freezing, unless:

(a) You make a reasonable effort to maintain heat in the building or structure; or

(b) You drain the equipment and shut off the water supply if the heat is not maintained.

e. "Property damage" to:

(1) Plumbing, heating, air conditioning, fire protection systems, or other equipment or appliances; or

(2) The interior of the premises caused by or resulting from rain or snow, whether driven by wind or not.

### 3. SECTION I - SUPPLEMENTARY PAYMENTS - COVERAGES A AND B is amended as follows:

Item 1.b. is deleted and replaced with the following:

b. Up to \$1,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

Item 1.d. is deleted and replaced with the following:

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$350 a day because of time off from work.

### 4. SECTION II - WHO IS AN INSURED is amended as follows:

Item 2.a.(1)(d) is deleted and replaced with the following:

(d) Arising out of his or her providing or failing to provide professional health care services.

This does not apply to nurses, emergency medical technicians or paramedics employed by you to provide health care services, but only if you are not in the business or occupation of providing such professional services.

Item 3. a. is deleted and replaced with the following:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

The following Items are added as follows:

### 5. Vendors

Any person(s) or organization(s) with whom you agree in a written contract or agreement to name as an insured but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

a. The insurance afforded the vendor does not apply to:

(1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(2) Any express warranty unauthorized by you;

(3) Any physical or chemical change in the product made intentionally by the vendor;

- (4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then re-packaged in the original container;
  - (5) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
  - (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  - (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
  - (8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
    - (a) The exceptions contained in subparagraphs 4. or 6.; or
    - (b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the productions.
- b. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

**6. Managers or Lessors of Premises**

Any person(s) or organization(s) with whom you agree in a written contract or agreement to name as an insured but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you

and subject to the following additional exclusions:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises.
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s).

**7. Additional Insured - Controlling Interest**

Any person(s) or organization(s) with whom you agree in a written contract or agreement to name as an insured but only with respect to their liability arising out of:

- (1) Their financial control of you; or
- (2) Premises they own, maintain or control while you lease or occupy the premises.

This does not apply to structural alterations, new construction and demolition operations performed by or for the person(s) or organizations(s).

**8. Additional Insured - Mortgagee, Assignee or Receiver**

Any person(s) or organization(s) with whom you agree in a written contract or agreement to name as an insured but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you.

This does not apply to structural alterations, new construction and demolition operations performed by or for the person(s) or organization(s).

**9. Additional Insured - Owners or Other Interests From Whom Land Has Been Leased**

Any person(s) or organization(s) with whom you agree in a written contract or agreement to include as an insured but only with respect to their liability arising out of the ownership, maintenance or use of that part of land leased to you subject to the following additional exclusions:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to lease that land;
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s).

**10. Additional Insured - State or Political Subdivisions - Permits Relating to Premises**

Any state or political subdivision with whom you agree in a written contract or agreement to include as an insured subject to the following additional provision:

This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with premises you own, rent, or control and to which this insurance applies:

- (1) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners, or decorations and similar exposures; or
- (2) The construction, erection, or removal of elevators; or
- (3) The ownership, maintenance, or use of any elevators covered by this insurance.

**11. Additional Insured - Lessor Of Leased Equipment**

Any person(s) or organization(s) with whom you agree in a written contract or agreement, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

This insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

**5. SECTION III - LIMITS OF INSURANCE** is amended as follows:

Items 8. and 9. are added as follows:

8. The most we will pay under Voluntary Property Damage for "loss" arising out of any one "occurrence" is \$250. The most we will pay for the sum of all "losses" under this coverage is \$1,000.
9. The most we will pay under Care Custody or Control for "property damage" is \$2,500 for each "occurrence". The most we will pay for the sum of all damages because of "property damage" under this coverage is \$5,000.

10. The most we will pay under Water Damage Legal Liability for all "property damage" arising out of any one "occurrence" is \$25,000.

**7. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

Items e. and f. are added to 2. **Duties In The Event Of Occurrence, Offense, Claim Or Suit** as follows:

- e. The requirement in Condition 2. a. applies only when the "occurrence" or offense is known to:
  - (1) You, if you are an individual;
  - (2) A partner, if you are a partnership;
  - (3) An "executive officer" or insurance manager, if you are a corporation; or
  - (4) A manager, if you are a limited liability company.
- f. The requirement in Condition 2. b. will not be breached unless the breach occurs after such claim or "suit" is known to:
  - (1) You, if you are an individual;
  - (2) A partner, if you are a partnership;
  - (3) An "executive officer" or insurance manager, if you are a corporation; or
  - (4) A manager, if you are a limited liability company.

The following is added to Item 6. **Representations**

- d. Your failure to disclose all hazards or prior "occurrences" existing as of the inception date of this policy shall not prejudice the coverage afforded by this policy, provided such failure to disclose all hazards or prior "occurrences" is not intentional.

The following is added to Item 8. **Transfer Of Rights Of Recovery Against Others To Us:**

We waive any right of recovery we may have against any person or organization with respect to which the insured has waived its right of recovery.

It is further agreed that work commenced under letter of intent or work order, subject to subsequent reduction to writing, with customers whose customary written contracts would require a waiver of recovery rights against them also falls within this blanket waiver of subrogation.

6. **SECTION V - DEFINITIONS** is amended as follows:

The following definition is added:

23. "Loss" means unintentional damage or destruction but does not include disappearance, theft, or loss of use.

7. **Liberalization**

If we adopt any revision that would broaden the coverage under this endorsement without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this endorsement.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism

Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **OTHER INSURANCE CONDITION AMENDED**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

When required by written contract with any additional insured owner, lessee, or contractor to provide insurance on a primary and noncontributory basis, Condition 4. of Section IV - Commercial General Liability Conditions is deleted and replaced by the following:

#### **4. Other Insurance**

If other valid and collectible insurance is available for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

##### **a. Primary Insurance**

This insurance is primary and non-contributory except when b. below applies.

##### **b. Excess Insurance**

This insurance is excess over any of the other insurance, whether primary, excess, contingent, or on any other basis:

- (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk, or similar coverage for "your work;"
- (2) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner; or
- (3) If the loss arises out of the maintenance or use of aircraft, "autos," or watercraft to the extent not subject

to Exclusion g. of Section I - Coverage A.

- (4) If the loss is caused by the sole negligence of any additional insured, owner, lessee, or contractor.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - ASBESTOS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This insurance does not apply to "bodily injury", "personal and advertising injury" or "property damage" arising out of:

1. Inhaling, ingesting or physical exposure to asbestos or goods or products containing asbestos; or
2. The use of asbestos in constructing or manufacturing any goods, product or structure; or
3. The removal, repair, encapsulation, enclosure, abatement or maintenance of asbestos in or from any goods, product or structure; or
4. The manufacture, sale, distribution, transportation, storage or disposal of asbestos or goods or products containing asbestos.

This insurance does not apply to payment for the investigation or defense of any claim, injury, loss, fine, penalty or lawsuit related to any of the foregoing items 1 thru 4. Nor do we have a duty to investigate or defend any such claim, injury, loss or lawsuit.

This insurance also does not apply to any loss, cost or expense incurred in complying with any federal, state or local provision of law regarding the inspection, monitoring, or control of asbestos in any goods, products or structures.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - CONTRACTORS - PROFESSIONAL LIABILITY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusion is added to Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** and Paragraph 2., **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability**:

1. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:
  - a. Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and
  - b. Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform.
2. Subject to Paragraph 3. below, professional services include:
  - a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
  - b. Supervisory or inspection activities performed as part of any related architectural or engineering activities.
3. Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

**AUTO COVERAGE**

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**AUTO COVERAGE**



**WESTFIELD****INSURANCE**

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**RENEWAL  
BUSINESS AUTO COVERAGE DECLARATIONS****COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY**

<b>ITEM ONE-NAMED INSURED &amp; MAILING ADDRESS</b>	<b>AGENCY</b>	<b>12-01151</b>	<b>PROD.</b>	<b>000</b>
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073	MARKET FINANCIAL GROUP 240 COMMERCIAL DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300			

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy Period**  
From 01/01/12  
To 01/01/13at 12:01 A.M. Standard Time at your  
mailing address shown above.**ITEM TWO****SCHEDULE OF COVERAGES AND COVERED AUTOS**

Each Of These Coverages Will Apply Only To Those "Autos" Shown As Covered "Autos". "Autos" Are Shown As Covered "Autos" For A Particular Coverage By The Entry Of One Or More Of The Symbols From The Covered Auto Section of The Business Auto Coverage Form Next To The Name Of The Coverage.

<b>COVERAGES</b>	<b>COVERED AUTO SYMBOLS</b>	<b>LIMIT THE MOST WE WILL PAY FOR ANY ONE ACCIDENT OR LOSS</b>	<b>PREMIUM</b>
Liability	01	Bodily Injury and Property Damage \$1,000,000 Each Accident	\$4,765
Auto Medical Pay.	02	\$10,000	\$313
Uninsured Motorists	06 08 09	Bodily Injury \$1,000,000 Each Accident	\$134
Underins. Motorists	06 08 09	Bodily Injury \$1,000,000 Each Accident	\$303
Physical Damage Comprehensive Coverage	02 08	Actual Cash Value or Cost of Repair Whichever is Less Minus the Ded. for Each Covered Auto as Indicated in the Schedule for Covered Autos. No Deductible Applies to Loss Caused by Fire or Lightning.	\$556
Physical Damage Collision Coverage	02 08	Actual Cash Value or Cost of Repair Whichever is Less Minus the Deductible for Each Covered Auto as Indicated in the Schedule for Covered Autos.	\$2,367
Physical Damage Towing & Labor	03	\$50 For Each Disablement of a Private Passenger Auto.	\$39
Premium For Auto Endorsements			\$576
<b>TOTAL ADVANCE ANNUAL PREMIUM</b>			<b>\$9,053</b>

Audit Period (If Applies)

☐

Annual

☐

Semi-Annual

☐

Quarterly

☐

Monthly

**Forms And Endorsements Attached To This Coverage Form:**

CA7075 1008\*, CADS03 0310\*, CA0001 0310\*, IL0021 0908\*, CA0120 0603\*,  
 CA0270 0894\*, CA2394 0306\*, CA7080 0611\*, CA7007 1087\*, CA0117 0110\*,  
 CA2610 0281\*, CA0137 0701\*, CA9924 0110\*, CA2103 0110\*, CA2145 0110\*,  
 CA9903 0306\*, CA2130 1108\*, CA2138 1108\*, CA9944 1293\*, CA9923 0310\*,  
 CA9910 0310\*, CA7068 0310\*.





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**RENEWAL  
BUSINESS AUTO COVERAGE DECLARATIONS  
(Continued)**

COMPANY PROVIDING COVERAGE		WESTFIELD INSURANCE COMPANY			
ITEM ONE-NAMED INSURED & MAILING ADDRESS	AGENCY	12-01151	PROD.	000	
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073	MARKET FINANCIAL GROUP 240 COMMERCIAL DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300				
Policy Number: TRA 5 284 060	11	WIC Account Number: 1200801619			M

Policy Period From 01/01/12 To 01/01/13 at 12:01 A.M. Standard Time at your mailing address shown above.

**ITEM THREE SCHEDULE OF COVERED AUTOS YOU OWN**

The Insurance Afforded For Any One Automobile Is Only With Respect To Such And So Many Of The Coverages As Are Indicated In Item Two Unless A Specific Limit Or Deductible Is Indicated In This Schedule Of Automobiles.

AUTO	ST	TER	YR	DESCRIPTION	SERIAL NUMBER	AGE	COST SYM	CLASS	STATED AMT	GVW
001	IL	141	02	BERLINA TRLR	1111216221467102	11	8000	68489		
002	WI	103	06	FORD F350	1111216221467102	7	42942	01489		
003	IL	141	07	FORD F150	1111216221467102	6	17995	01489		
004	IL	141	02	FORD F250	1111216221467102	11	23955	01489		
005	IL	134	08	FORD F350	1111216221467102	5	42000	01489		
006	IL	141	08	ATLAS TRLR	1111216221467102	5	5740	68489		
007	IL	141	09	FORD F-450	1111216221467102	4	31225	21489		
008	IL	141	05	FORD F-150	1111216221467102	8	29500	01489		
009	IL	141	08	LOAD MAX TRAILER	1111216221467102	5	8000	68489		
010	IL	141	11	FORD EXPLORER LIM	1111216221467102	2	39190	7398		
011	IL	141	10	FORD FOCUS SE	1111216221467102	3	13600	7398		
012	IL	141	10	FORD ESCAPE LIMIT	1111216221467102	3	21112	7398		
013	IL	141	00	INTERNATIONAL	1111216221467102	12	6500	31489		

PREMIUMS- AUTO LIAB	FPB/ PIP	PPI	MED PY/EX	UN-UD MTRST	COMP	SPEC PERIL	TOW & COLL	LABOR	ENDTS	DEDUCTIBLE COMP	COLL	TOTAL PREMIUM
001	\$54				\$9		\$29			1000	1000	\$92
002	\$298		\$28	\$31	\$44		\$229			1000	1000	\$630
003	\$496		\$41	\$37	\$28		\$113			1000	1000	\$715
004	\$496		\$41	\$37	\$28		\$109			1000	1000	\$711
005	\$280		\$23	\$37	\$64		\$243			1000	1000	\$647
006	\$54				\$9		\$31			1000	1000	\$94
007	\$522		\$41	\$37	\$35		\$170			1000	1000	\$805
008	\$496		\$41	\$37	\$33		\$148			1000	1000	\$755
009	\$54				\$11		\$39			1000	1000	\$104
010	\$390		\$19	\$59	\$75		\$424	\$13	\$45	1000	1000	\$1025
011	\$390		\$19	\$59	\$46		\$317	\$13	\$45	1000	1000	\$889
012	\$390		\$19	\$59	\$63		\$375	\$13	\$45	1000	1000	\$964
013	\$782		\$41	\$37	\$11		\$40			1000	1000	\$911

*DRIVE OTHER CAR COVERAGE	\$91
*EXPANDED PLUS ENDORSEMENT COVERAGE	\$250
*PRIMARY AND NONCONTRIBUTORY INS	\$100

**HIRED AUTO LIABILITY**

STATE	ESTIMATED ANNUAL COST OF HIRE	PREMIUM
IL	IF ANY	
WI	IF ANY	

**HIRED AUTO UNINSURED MOTORISTS**

STATE	ESTIMATED ANNUAL COST OF HIRE	PREMIUM
IL	IF ANY	



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**RENEWAL  
BUSINESS AUTO COVERAGE DECLARATIONS  
(Continued)**

COMPANY PROVIDING COVERAGE		WESTFIELD INSURANCE COMPANY		
ITEM ONE-NAMED INSURED & MAILING ADDRESS	AGENCY	12-01151	PROD.	000
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073	MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300			
Policy Number: TRA 5 284 060		11	WIC Account Number: 1200801619 M	
Policy Period	From To	01/01/12 01/01/13	at 12:01 A.M. Standard Time at your mailing address shown above.	

WI IF ANY

**HIRED AUTO UNDERINSURED MOTORISTS**

STATE	ESTIMATED ANNUAL COST OF HIRE	PREMIUM
IL	IF ANY	

Cost Of Hire Means The Total Amount You Incur For The Hire Of Autos You Do Not Own (Not Including Autos You Borrow Or Rent From Your Partners Or Employees Or Their Family Members). Cost Of Hire Does Not Include Charges For Services Performed By Motor Carriers Of Property Or Passengers.

**HIRED AUTO PHYSICAL DAMAGE**

STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (EXCLUDING AUTOS HIRED WITH A DRIVER)	DEDUCTIBLE	PREMIUM
IL	COMPREHENSIVE 50,000	500	\$100
IL	COLLISION 50,000	500	\$100

For Physical Damage Coverages, Cost Of Hire Means That Total Amount You Incur For The Hire Of "Autos" You Don't Own (Not Including "Autos" You Borrow Or Rent From Your Partners Or "Employees" Or Their Family Members). Cost Of Hire Does Not Include Charges For Any "Auto" That Is Leased, Hired, Rented Or Borrowed With A Driver.

**NON-OWNERSHIP LIABILITY**

RATING BASIS-NUMBER OF EMPLOYEES	ESTIMATED NUMBER OF EMPLOYEES	PREMIUM
	0-25	\$63

**NON-OWNED AUTO UNINSURED MOTORISTS**

RATING BASIS-PER EMPLOYEE	NUMBER OF EMPLOYEES	PREMIUM
	28	\$4

**NON-OWNED AUTO UNDERINSURED MOTORISTS**

RATING BASIS-PER EMPLOYEE	NUMBER OF EMPLOYEES	PREMIUM
	14	\$3

<b>TOTAL ADVANCE ANNUAL AUTO PREMIUM</b>	<b>\$9,053</b>
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**ENDORSEMENT SUMMARY**

RENTAL REIMBURSEMENT	\$135
PRIMARY AND NONCONTRIBUTORY INS	\$100




**WESTFIELD**  
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**RENEWAL**  
**BUSINESS AUTO COVERAGE DECLARATIONS**  
 (Continued)

COMPANY PROVIDING COVERAGE		WESTFIELD INSURANCE COMPANY		
ITEM ONE-NAMED INSURED & MAILING ADDRESS	AGENCY	12-01151	PROD.	000
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073	MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300			
Policy Number: TRA 5 284 060		11	WIC Account Number: 1200801619   M	
Policy Period	From 01/01/12 To 01/01/13	at 12:01 A.M. Standard Time at your mailing address shown above.		

**\*ENDORSEMENT SUMMARY**

DRIVE OTHER CAR COVERAGE	\$91
EXPANDED PLUS ENDORSEMENT COVERAGE	\$250



**WESTFIELD****INSURANCE**

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**RENEWAL  
BUSINESS AUTO COVERAGE DECLARATIONS  
(Continued)**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****ITEM ONE-NAMED INSURED & MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13
**at 12:01 A.N. Standard Time at your  
mailing address shown above.**

**If A Loss Payee Is Shown Below, The Following Is Applicable:  
Except For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee  
Named Below As Interests May Appear At The Time Of Loss-**

**AUTO****LOSS PAYEE****AUTO****LOSS PAYEE**

010

FORD MOTOR CREDIT COMPANY  
P O BOX 105704  
ATLANTA

GA 30348





**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**PRIMARY AND NONCONTRIBUTORY INSURANCE**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance, Item c.** is replaced by the following:

- c.** Regardless of the provisions of Paragraph **a.** above, this Coverage Form's Liability Coverage is primary and we will not seek contribution from any other insurance for any liability assumed under an "insured contract" that requires liability to be assumed on a primary noncontributory basis.

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**CA 70 75 10 08**



## BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

### SECTION I - COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos." The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

#### A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject to No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.
19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.

**B. Owned Autos You Acquire After The Policy Begins**

1. If Symbols 1, 2, 3, 4, 5, 6 or 19 are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

**C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos**

If Liability Coverage is provided by this coverage form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

**SECTION II - LIABILITY COVERAGE**

**A. Coverage**

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies,

caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos." However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

**1. Who Is An Insured**

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
  - (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
  - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
  - (4) Anyone other than your "employees", partner (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
  - (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

## **2. Coverage Extensions**

### **a. Supplementary Payments**

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

### **b. Out-of-state Coverage Extensions**

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of

out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

## **B. Exclusions**

This insurance does not apply to any of the following:

### **1. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured."

### **2. Contractual**

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

### **3. Workers' Compensation**

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

### **4. Employee Indemnification And Employer's Liability**

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
  - (1) Employment by the "insured"; or
  - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract." For the purposes of the coverage form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

#### 5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph a. above.

#### 6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

#### 7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

#### 8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

#### 9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or

financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

#### 10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraphs a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

#### 11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

## 12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or ex-

pected attack, by any government, sovereign or other authority using military personnel or other agents; or

- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

## 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

## C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", and "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

## SECTION III - PHYSICAL DAMAGE COVERAGE

### A. Coverage

- 1. We will pay for "loss" to a covered "auto" or its equipment under:

#### a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

#### b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto."



**c. Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

**2. Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

**3. Glass Breakage - Hitting A Bird Or Animal - Falling Objects Or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

**4. Coverage Extension****a. Transportation Expenses**

We will pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

**b. Loss of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

**B. Exclusions**

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

**a. Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

**b. War Or Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.



This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed-measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed-measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";
- b. Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or
- d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

**C. Limit Of Insurance**

- 1. The most we will pay for "loss" in any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
- 2. \$1,000 is the most we will pay for "loss" in any one "accident" to all electronic

equipment that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
  - b. Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or
  - c. An integral part of such equipment.
- 3. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
  - 4. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

**D. Deductible**

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

**SECTION IV - BUSINESS AUTO CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions:

**A. Loss Conditions**

**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

**2. Duties In The Event Of Accident, Claim, Suit Or Loss**

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
  - (1) How, when and where the "accident" or "loss" occurred;
  - (2) The "insured's" name and address; and
  - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
  - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
  - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
  - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
  - (4) Authorize us to obtain medical records or other pertinent information.
  - (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.
- c. If there is "loss" to a covered "auto" or its equipment you must also do the following:
  - (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
  - (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
  - (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
  - (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

### 3. Legal Action Against Us

No one may bring a legal action against us under this coverage form until:

- a. There has been full compliance with all the terms of this coverage form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

### 4. Loss Payment - Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

### 5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this coverage form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

## B. General Conditions

### 1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this coverage form.

### 2. Concealment, Misrepresentation Or Fraud

This coverage form is void in any case of fraud by you at any time as it relates to this coverage form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This coverage form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or

d. A claim under this coverage form.

### 3. Liberalization

If we revise this coverage form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

### 4. No Benefit To Ballee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this coverage form.

### 5. Other Insurance

a. For any covered "auto" you own, this coverage form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this coverage form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this coverage form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own.
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this coverage form's Liability Coverage is primary for any liability assumed under an "insured contract."

d. When this coverage form and any other coverage form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our coverage form bears to the total of the limits of all the coverage forms and policies covering on the same basis.

### 6. Premium Audit

a. The estimated premium for this coverage form is based on the exposures you told us you would have when this policy began. We will compute the final premium due

when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this coverage form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

### 7. Policy Period, Coverage Territory

Under this coverage form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico; and
- (4) Canada; and
- (5) Anywhere in the world, if:

(a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and

(b) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

### 8. Two Or More Coverage Forms Or Policies Issued By Us

If this coverage form and any other coverage form or policy issued to you by us or any company affiliated with us applies to the same "accident," the aggregate maximum Limit of Insurance under all the coverage forms or policies shall not exceed the highest applicable Limit of

Insurance under any one coverage form or policy. This condition does not apply to any coverage form or policy issued by us or an affiliated company specifically to apply as excess insurance over this coverage form.

## SECTION V - DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured"; or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

(1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. or 6.c. of the definition of "mobile equipment",

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto;" and

(b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

- G.** "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- H.** "Insured contract" means:
1. A lease of premises;
  2. A sidetrack agreement;
  3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
  6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
- An "insured contract" does not include that part of any contract or agreement:
- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
  - b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
  - c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J.** "Loss" means direct and accidental loss or damage.
- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  2. Vehicles maintained for use solely on or next to premises you own or rent;
  3. Vehicles that travel on crawler treads;
  4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
    - a. Power cranes, shovels, loaders, diggers or drills; or
    - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
  5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
    - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
    - b. Cherry pickers and similar devices used to raise or lower workers; or
  6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
    - a. Equipment designed primarily for:
      - (1) Snow removal;
      - (2) Road maintenance, but not construction or resurfacing; or
      - (3) Street cleaning;
    - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:

- 1. Damages because of "bodily injury" or "property damage"; or

- 2. A "covered pollution cost or expense"

to which this insurance applies, are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
  - P. "Trailer" includes semitrailer.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTO MOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**1. The insurance does not apply:**

**A. Under any Liability Coverage, to "bodily injury" or "property damage":**

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.**

**C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:**

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured;" or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

**2. As used in this endorsement:**

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material," "special nuclear material" or "by-product material."

"Source material," "special nuclear material," and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor."

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

"Nuclear facility" means:

- (a)** Any "nuclear reactor;"
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or

utilizing "spent fuel," or **(3)** handling, processing or packaging "waste;"

- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste;"

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS CHANGES**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Changes In Liability Coverage**

1. Paragraph 1.b.(3) of the **Who Is An Insured** provision in the Business Auto, Motor Carrier and Truckers Coverage Forms and Paragraph 3.a.(2)(c) of the **Who Is An Insured** provision in the Garage Coverage Form do not apply.
2. **Our Limit Of Insurance** applies except that we will apply the limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:
  - a. \$20,000 for "bodily injury" to any one person caused by any one "accident,"
  - b. \$40,000 for "bodily injury" to two or more persons caused by any one "accident," and
  - c. \$15,000 for "property damage" caused by any one "accident."

This provision will not change our total **Limit Of Insurance**.

**B. Changes In Physical Damage Coverage**

The **Limit Of Insurance** provision with respect to repair or replacement resulting in better than like kind or quality is replaced by the following, and supersedes any provision to the contrary:

We may deduct for betterment if:

1. The deductions reflect a measurable decrease in market value attributable to the poorer condition of, or prior damage to, the vehicle.

2. The deductions are for prior wear and tear, missing parts and rust damage that is reflective of the general overall condition of the vehicle considering its age. In this event, deductions may not exceed \$500.

**C. Changes in Conditions**

The **Other Insurance** Condition in the Business Auto Coverage Form, and the **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carriers Coverage Forms, is changed by the addition of the following:

Liability Coverage provided by this Coverage Form for any "auto" you do not own is primary if:

1. The "auto" is owned or held for sale or lease by a new or used vehicle dealership;
2. The "auto" is operated by an "insured" with the permission of the dealership described in Paragraph 1. while your "auto" is being repaired or evaluated; and
3. The Limit of Insurance for Liability Coverage under this policy is at least:
  - a. \$100,000 for "bodily injury" to any one person caused by any one "accident",
  - b. \$300,000 for "bodily injury" to two or more persons caused by any one "accident", and
  - c. \$50,000 for "property damage" caused by any one accident".



POLICY NUMBER: TRA 5284060

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SILICA OR SILICA-RELATED DUST EXCLUSION FOR COVERED AUTOS EXPOSURE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** The following exclusion is added to Paragraph **B. Exclusions of Section II - Liability Coverage** in the Business Auto, Motor Carrier and Truckers Coverage Forms and for "**Garage Operations**" - **Covered "Autos"** in the Garage Coverage Form:

### **SILICA OR SILICA-RELATED DUST EXCLUSION FOR COVERED AUTOS EXPOSURE**

This insurance does not apply to:

1. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
2. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

3. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any "insured" or by any other person or entity.

### **B. Additional Definitions**

As used in this endorsement:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WHO IS AN INSURED AMENDMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTOMOBILE COVERAGE FORM**

Under **SECTION II - LIABILITY COVERAGE** Item **A. Coverage**, paragraph **1.b.(1)** is deleted and replaced with the following:

- (1)** The owner, any "employee" or agent of the owner, or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the covered "auto" is a trailer or semitrailer connected to a covered "auto" you own.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WISCONSIN CHANGES**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Wisconsin, the coverage form is changed as follows:

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Changes In Liability Coverage**

1. If your business is other than selling, servicing, repairing or parking "autos", Who Is An Insured is changed to include an officer, agent or "employee" of such business while using a covered "auto". However, that person is an "insured" only if he or she has no other valid and collectible insurance with at least the applicable minimum limit specified by WIS. STAT. Section 344.01 (2) (am). In this event, coverage will be provided only up to the applicable minimum limit specified by WIS. STAT. Section 344.01 (2) (am). The applicable minimum limit is:
  - a. \$115,000 for each "accident" for "bodily injury" and "property damage", if the limit of liability is a single limit that applies for each "accident"; or
  - b. \$50,000 for each person/\$100,000 for each "accident" for "bodily injury"/\$15,000 for "property damage", if the limit of liability is indicated as a split limit.
2. If your business is selling, servicing, repairing or parking "autos", Who Is An Insured is changed to include anyone other than an officer, agent or "employee" of such business while using a covered "auto". However, that person is an "insured" only if he or she has no other valid and collectible insurance with at least the applicable minimum limit specified by WIS. STAT. Section 344.01 (2) (am). In this event, coverage will be provided only up to the applicable minimum limit specified by WIS. STAT. Section 344.01 (2) (am). The applicable minimum limit is:
  - a. \$115,000 for each "accident" for "bodily injury" and "property damage", if the limit of liability is a single limit that applies for each "accident"; or
  - b. \$50,000 for each person/\$100,000 for each "accident" for "bodily injury"/\$15,000 for "property damage", if the limit of liability is indicated as a split limit.
3. The following is added to **Who Is An Insured**:  
 Anyone else is an "insured" while using a covered "auto" you own with your or any adult "family member's" permission.
4. The Garage Coverage Form is changed as follows:
  - a. Paragraph **a.(2)(d)(i)** of the **Who Is An Insured** provision is replaced by the following:  
 Has no other available insurance (whether primary, excess or contingent), they are an "insured" but only up to \$115,000 for each "accident", which is the minimum combined single limit of liability specified by WIS. STAT. Section 344.01 (2) (am).
  - b. Paragraph **a.(2)(d)(ii)** of the **Who Is An Insured** provision is replaced by the following:  
 Has other available insurance (whether primary, excess or contingent), less than the applicable minimum limit for "bodily injury" or "property damage" liability specified by WIS. STAT. Section 344.01 (2) (am), they are an "insured" only for the amount by which the applicable minimum limit of liability exceeds the limit of their other insurance. The applicable minimum limit is:

(1) \$115,000 for each "accident" for "bodily injury" or "property damage", if the limit of liability is a single limit that applies for each "accident"; or

(2) \$50,000 for each person/\$100,000 for each "accident" for "bodily injury"/\$15,000 for "property damage", if the limit of liability is indicated as a split limit.

5. The **Fellow Employee** Exclusion does not apply if the "bodily injury" results from the use of covered "auto" you do not own or lease.

**B. Changes In Conditions**

1. The first sentence of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

In the event of "accident," claim, "suit" or "loss," you must give us or our authorized representatives notice as soon as reasonably possible of the "accident" or "loss."

2. The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Condition:

We shall be entitled to a recovery only after the "insured" has been fully compensated for damages.

3. The **Legal Action Against Us** Condition does not apply.
4. The following is added to the **Concealment, Misrepresentation Or Fraud** Condition:

No oral or written statement, representation or warranty made by the "insured" or in his behalf in the negotiation for or procurement of this coverage form shall be deemed material or defeat or void this coverage form, unless such statement, representation or warranty was false and made with intent to deceive, or unless the matter misrepresented or made a warranty increased the risk or contributed to the "loss" and no breach of a warranty in this coverage form shall defeat or void this coverage form unless the breach of such warranty increased the risk at the time of "loss," or contributed to the "loss," or existed at the time of the "loss."

Our authorized representative's knowledge will be considered our knowledge. If our authorized representative knows before an "accident" or "loss" something which violates a policy condition, this will not void the policy or defeat a recovery for a claim.

If we elect to rescind this policy, we will notify the "insured" of our intention within 60 days after acquiring knowledge of sufficient facts to constitute grounds for rescission.

5. The following is added:

**CONFORMITY TO STATUTE OR RULE**

Any provision of this Coverage Part (including endorsements which modify the Coverage Part) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under WIS. STAT. Section 227.11(2) and published in the Wisconsin Administrative Code.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMENDMENT OF SINGLE INTEREST POLICY PROVISIONS - WISCONSIN**

When this policy is issued or delivered in the State of Wisconsin, it is agreed that:

1. Paragraphs (b) and (c) of NAMED INSURED'S DUTIES IN EVENT OF LOSS are changed to read as follows:
  - (b) give notice thereof as soon as reasonably possible to the company or any of its authorized agents and also, in the event of theft or larceny, to the police;
  - (c) file with the company, within 91 days after knowledge of a **loss** which results in the **named insured's** interest being **impaired**, his sworn proof of **loss** in such form and including such information as the company may reasonably require and, upon the company's request, shall exhibit the damaged property and submit to examination under oath; however, if proof of **loss** is filed as soon as possible and within one year after the time limit, failure to file proof of **loss** within the time limit shall not invalidate or reduce any claim by the **named insured** unless the company is prejudiced thereby and it was reasonably possible to meet the time limit.

2. The Condition entitled "CHANGES" is amended to read as follows:

The terms of this policy shall not be changed, except by endorsement issued to form a part of this policy.

Knowledge of an agent of the company of any fact which breaches a condition of the policy shall be knowledge of the company if such fact is known to the agent at the time the policy is issued or an application made or thereafter becomes known to the agent in the course of his dealings with the **named insured**. Any fact which breaches a condition of the policy and is known to the agent prior to loss shall not void the policy or defeat a recovery there in the event of **loss**.

The **named insured** shall promptly notify the company of any transfer of interest, any change in ownership, and extension of the finance contract or any other increases in hazard with respect to the **automobile** which shall come to their knowledge and shall account for and pay to the company the premium for such increased hazard.

3. The Condition entitled "CANCELLATION" is replaced by the following:

This policy may be cancelled by the **named insured** by surrender thereof to the company or any of its authorized agents or by mailing to the company written notice stating when thereafter the cancellation shall be effective.

This policy may be cancelled by the company by mailing to the **named insured** at the address shown in this policy, written notice stating when not less than thirty days thereafter such cancellation shall be effective; provided

- (a) if the **named insured** fails to discharge when due any of his obligations in connection with the payment of premium for this policy or any installment thereof, whether payable directly to the company or its agent or indirectly under any premium finance plan or extension of credit, or
- (b) if this policy has been in effect less than sixty days at the time notice of cancellation is mailed and this is not a renewal policy.

This policy may be cancelled by the company by mailing to the **named insured** written notice stating when not less than ten days thereafter such cancellation shall be effective.

The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the **named insured** or by the company shall be equivalent to mailing.

Upon cancellation by the **named insured**, the earned premium shall be computed short rate in accordance with the Special Single Interest Pro Rata and Short Rate Cancellation Table. Upon cancellation by the company, the earned premium shall be computed pro rata in accordance with the Special Single Interest Pro Rata and Short Rate Cancellation Table.

## CANCELLATION BY COMPANY LIMITED

After this policy has been in effect for 60 days or, if this policy is a renewal, effective immediately, the company shall not exercise its right to cancel the insurance unless the **named insured** fails to discharge when due any of his obligations in connection with the payment of premium for this policy or any installment thereof, whether payable directly to the company or its agent or indirectly under any premium finance plan or extension of credit.

This agreement shall apply to each successive policy period for which the company consents to renew or continue this policy but nothing herein shall obligate the company to renew or continue this policy beyond the expiration of any annual period commencing with its original effective date; provided that, if this policy is written without a fixed expiration date or for a policy period longer than one year, this policy may be terminated by the company for any cause effective on the expiration of any such annual period by mailing to the **named insured** at the address shown in this policy, written notice of such termination not less than 30 days prior to the expiration of such annual period. The mailing of notice as aforesaid shall be sufficient proof of notice. Delivery of such written notice by the company shall be equivalent to mailing.

## NON-RENEWAL

If the company elects not to renew this policy, it shall mail to the **named insured** at the address shown in this policy, written notice of such nonrenewal not less than 30 days prior to the expiration date.

Notwithstanding the failure of the company to comply with the foregoing provisions, this policy shall terminate.

(a) on the expiration date

- (1) if the **named insured** has notified the company or its agent that he does not wish this policy to be renewed, or
- (2) if the company has mailed notice of renewal premium due to the **named insured** not more than 45 days nor less than 10 days prior to the expiration date, stating clearly that the policy will terminate on the expiration date if the **named insured** has failed to pay the renewal premium by such expiration date and the **named insured** has failed to pay the renewal premium by such expiration date;

(b) on the effective date of any other insurance policy issued as a replacement for any insurance afforded by this policy, with respect to any such insurance to which both policies apply. The mailing of notice as aforesaid shall be sufficient proof of notice.

4. The following paragraph is added to the Condition entitled "DECLARATIONS":

No oral or written statement, representation or warranty made by the **named insured** or in his behalf in the negotiation of this policy shall be deemed material or defeat or avoid this policy, unless such statement, representation or warranty was false and made with intent to deceive, or unless the matter misrepresented or made a warranty increased the risk or contributed to the loss. No failure of a condition prior to the loss and no breach of a warranty in this policy shall defeat or avoid this policy unless the breach of such warranty increased the risk at the time of the loss, or contributed to the loss, or existed at the time of the loss.

POLICY NUMBER: TRA 5284060

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WISCONSIN CHANGES**

This endorsement modifies insurance provided under the following:

TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **CHANGES IN LIABILITY COVERAGE**

The **Who Is An Insured** provision of **Section II - Liability Coverage** in the Truckers and Motor Carrier Coverage Forms is changed by the following:

Who Is An Insured, paragraph **A.1.b.(4)** does not apply.



**COMMERCIAL AUTO****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WISCONSIN AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Coverage**

We will pay reasonable expenses incurred for necessary medical, chiropractic, and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

**B. Who Is An Insured**

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

**C. Exclusions**

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover

"bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

**D. Limit Of Insurance**

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "in-

insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations. If there is more than one covered "auto", the most we will pay for "bodily injury" for each "insured" injured in any one "accident", while not "occupying" an "auto" at the time of the "accident", is the sum of the Limit of Insurance for Auto Medical Payments Coverage shown in the Declarations applicable to each covered "auto", subject to a maximum of three covered "autos".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

**E. Changes In Conditions**

The reference in Other Insurance in the Business Auto and Garage Coverage Forms and Other Insurance - Primary And Excess Insurance Provisions in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

**F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

POLICY NUMBER: TRA 5284060

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WISCONSIN UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged, or "garage operations" conducted, in Wisconsin, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:**

**Endorsement Effective Date:**

**SCHEDULE**

**Limit Of Insurance: \$**

**Each "Accident"**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

**B. Who Is An Insured**

If the Named Insured is designated in the Declarations as:

1. An individual, the following are "insureds":
  - a. The Named Insured and any "family members".
  - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the coverage form, but only at times when that person is an "insured" for Liability under the coverage form.
- d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
  - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the coverage form, but only at times when that person is an "insured" for Liability under the coverage form.
- c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

**C. Exclusions**

This insurance does not apply to any of the following:

1. Any claim settled without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. "Bodily injury" sustained by:
  - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form;
  - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form; or
  - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other coverage form or policy.
4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
5. Punitive or exemplary damages.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**D. Limit Of Insurance**

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit Of Insurance for

Uninsured Motorists Coverage shown in the Schedule or Declarations. If there is more than one covered "auto", our limit of insurance for any one "accident" is the sum of the limits applicable to each covered "auto", subject to a maximum of three covered "autos".

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Liability Coverage form, Underinsured Motorists Coverage endorsement or Uninsured Motorists Coverage endorsement.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not make a duplicate payment to the extent amounts are paid or payable because of "bodily injury" under workers' compensation disability benefits or similar law.

**E. Changes In Conditions**

The conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are changed by the addition of the following:
  - a. The reference to "other collectible insurance" applies only to other collectible uninsured motorists insurance.
  - b. Any insurance we provide with respect to a vehicle owned by the Named Insured or, if the Named Insured is an individual, any "family member", that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form, shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.
2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:
  - a. Promptly notify the police if a hit-and-run driver is involved; and
  - b. Promptly send us copies of the legal papers if a "suit" is brought.



**3. Transfer Of Rights Of Recovery Against Others To Us** is changed by adding the following:

- a. We shall be entitled to the right to recover damages from another only after the "insured" has been fully compensated for damages.
- b. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid only after the "insured" has been fully compensated for damages.

**4. The Two Or More Coverage Forms Or Policies Issued By Us** Condition does not apply.

**5. The following condition is added:**

**Arbitration**

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

**F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's

household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
  - a. For which no liability bond or policy at the time of an "accident" provides at least the applicable minimum limit for "bodily injury" liability specified by WIS. STAT. Section 344.01 (2) (am). The applicable minimum limit is:
    - (1) \$100,000 for each "accident", if the limit of liability is a single limit that applies for each "accident"; or
    - (2) \$50,000 for each person/\$100,000 for each "accident", if the limit of liability is indicated as a split limit;
  - b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
  - c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying", or must hit another vehicle that hits an "insured", a covered "auto" or a vehicle an "insured" is "occupying".
  - d. A vehicle whose driver or owner cannot be identified. If there is no physical contact with the unidentified motor vehicle causing the accident, evidence in support of such motor vehicle's involvement in the accident must be provided by an independent third party.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned by a governmental unit or agency;
- b. Operated exclusively on rails or crawler treads;
- c. Designed for use mainly off public roads while not on public roads; or
- d. That is an "underinsured motor vehicle".



POLICY NUMBER: TRA 5284060

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WISCONSIN UNDERINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged, or "garage operations" conducted, in Wisconsin, this endorsement modifies insurance provided under the following.

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy or as of the date indicated below.

**SCHEDULE**

<b>Limit Of Insurance: \$</b>	<b>Each "Accident"</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "underinsured motor vehicle".
2. We will pay under this coverage only if Paragraph a. or b. below applies:
  - a. The limits of any applicable liability bonds or policies have been exhausted by payment of judgments or settlements; or
  - b. A tentative settlement has been made between an "insured" and the insurer of the "underinsured motor vehicle" and we:
    - (1) Have been given prompt written notice of such tentative settlement; and
    - (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.
3. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

**B. Who Is An Insured**

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
  - a. The Named Insured and any "family members".
  - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
  - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

**C. Exclusions**

This insurance does not apply to any of the following:

1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

2. "Bodily injury" sustained by:

- a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Underinsured Motorists Coverage under this coverage form;
  - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Underinsured Motorists Coverage under this coverage form; or
  - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Underinsured Motorists Coverage on a primary basis under any other coverage form or policy.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
  4. Punitive or exemplary damages.
  5. "Bodily injury" arising directly or indirectly out of:
    - a. War, including undeclared or civil war;
    - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
    - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**D. Limit Of Insurance**

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Underinsured Motorists Coverage shown in the Schedule or Declarations. If there is more than one covered "auto", our limit of insurance for any one "accident" is the sum of the limits applicable to each covered "auto", subject to a maximum of three covered "autos".
2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Liability Coverage form, Underinsured Motorists Coverage endorsement or

Uninsured Motorists Coverage endorsement.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not make a duplicate payment to the extent amounts are paid or payable because of "bodily injury" under workers' compensation, disability benefits or similar law.

**E. Changes In Conditions**

The conditions are changed for Underinsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are changed by the addition of the following:

- a. The reference to "other collectible insurance" applies only to other collectible underinsured motorists insurance.
- b. Any insurance we provide with respect to a vehicle owned by the Named Insured or, if the Named Insured is an individual, any "family member", that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form, shall be excess over any other collectible underinsured motorists insurance providing coverage on a primary basis.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

- a. Promptly send us copies of the legal papers if a "suit" is brought; and
- b. Promptly notify us, in writing, of a tentative settlement between an "insured" and the insurer of the "underinsured motor vehicle" and allow us 30 days to advance payment to that "insured" in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such "underinsured motor vehicle". However, this Provision 2.b. does not apply if failure to notify us does not prejudice our rights against the insurer, owner or operator of such "underinsured motor vehicle".

3. **Transfer Of Rights Of Recovery Against Others To Us** is changed by adding the following:

- a. We shall be entitled to the right to recover damages from another only after the "insured" has been fully compensated for damages.
- b. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid, only after the "insured" has been fully compensated for damages.

Our rights do not apply under this provision with respect to Underinsured Motorists Coverage, if we:

- a. Have been given prompt written notice of a tentative settlement between an "insured" and the insurer of an "underinsured motor vehicle"; and
- b. Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification:

- a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- b. We also have a right to recover the advanced payment.

4. The **Two Or More Coverage Forms Or Policies Issued By Us** Condition does not apply.

5. The following condition is added:

#### **Arbitration**

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

#### **F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the limits under the bodily injury liability policy or bond, at the time of an "accident", are less than the full amount the "insured" is legally entitled to recover as damages.

However, "underinsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law;
- b. Owned by a governmental unit or agency;
- c. Operated exclusively on rails or crawler treads;
- d. Designed for use mainly off public roads while not on public roads; or
- e. That is an "uninsured motor vehicle".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Coverage**

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident." We will pay only those expenses incurred, for services rendered within three years from the date of the "accident."

**B. Who Is An Insured**

1. You while "occupying" or, while a pedestrian, when struck by any "auto."
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto."
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto." The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

**C. Exclusions**

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member."
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of

this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

**D. Limit Of Insurance**

Regardless of the number of covered "autos," "insureds," premiums paid, claims made or vehicles involved in the "accident," the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

And Excess Insurance Provisions in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

**E. Changes In Conditions**

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The Transfer Of Rights Of Recovery Against Others To Us Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms and Other Insurance - Primary

**F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.



POLICY NUMBER: TRA 5284060

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

**Named Insured:**

**Endorsement Effective Date:**

**SCHEDULE**

**Limit Of Insurance: \$**

**Each "Accident"**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

**B. Who Is An Insured**

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds".
  - a. The Named Insured and any "family members".
  - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
- d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds".
  - a. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
  - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

**C. Exclusions**

This insurance does not apply to any of the following:

1. Any claim settled without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. "Bodily injury" sustained by:
  - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
  - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
  - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
5. Punitive or exemplary damages.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**D. Limit Of Insurance**

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Uninsured Motorists Insurance shown in the Schedule or Declarations.

We will apply the limit shown in the declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:

- a. \$20,000 for "bodily injury" to any one person caused by any one "accident", and
- b. \$40,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage endorsement, or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

**E. Changes In Conditions**

The Conditions are changed for Uninsured Motorists Insurance Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:

(1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

(2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

**2. Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a "suit" is brought.

**3. Legal Action Against Us** is replaced by the following:

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us must be brought within two years after the date of the "accident." However, this Paragraph 3.b does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

**4. Transfer Of Rights Of Recovery Against Others To Us** does not apply.

**5. The following Conditions are added:**

**REIMBURSEMENT AND TRUST**

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

**ARBITRATION**

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to

the amount of damages, then the disagreement will be settled in accordance with the rules of the American Arbitration Association. However, if the "insured" requests, we and the "insured" will each select an arbitrator. The two arbitrators will select a third. If the arbitrators are not selected within 45 days of the "insured's" request, either party may request that arbitration be submitted to the American Arbitration Association. We will bear all the expenses of the arbitration except when the "insured's" recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law. If this occurs, the "insured" will be responsible for payment of his or her expenses and an equal share of the expenses of the third arbitrator up to the amount by which the "insured's" recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding.
- c. If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:

(1) Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.

(2) Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other arbitration proceedings, local rules of law as to arbitration procedure and evidence will apply.

- d. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding for the amount of damages not exceeding the lesser of either:

- (1) \$50,000 for "bodily injury" to any one person/\$100,000 for "bodily injury" to two or more persons caused by any one "accident"; or
- (2) The Limit Of Uninsured Motorists Insurance shown in the Schedule or Declarations.

**F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
  - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged, or

- b. For which an insuring or bonding company denies coverage or is or becomes insolvent, or
- c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit, or cause an object to hit, an "insured", a covered "auto" or a vehicle an "insured" is "occupying". If there is no physical contact with the hit-and-run vehicle, the facts of the "accident" must be proved.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency, or
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: TRA 5284060

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNDERINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:****Endorsement Effective Date:****SCHEDULE****Limit Of Insurance:****\$ "Each Accident"**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "underinsured motor vehicle".
2. We will pay only after all liability bonds or policies have been exhausted by payment of judgments or settlements, unless:
  - a. We have been given prompt written notice of a "tentative settlement" and decide to advance payment to the "insured" in an amount equal to that "tentative settlement" within 30 days after receipt of notification; or
  - b. We and an "insured" have reached a "settlement agreement".
3. Any judgment for damages arising out of a "suit" brought without written notice to us is not binding on us.

**B. Who Is An Insured**

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds".
  - a. The Named Insured and any "family members".
  - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
  - d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds".
  - a. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.

c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

### C. Exclusions

This insurance does not apply to any of the following:

1. The direct or indirect benefit of any insurer under any workers' compensation, disability benefits or similar law.
2. "Bodily injury" sustained by:
  - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form;
  - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form; or
  - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Underinsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
4. Punitive or exemplary damages.
5. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### D. Limit Of Insurance

1. Regardless of the number of covered "autos," "insureds," premiums paid, claims made or vehicles involved in the "accident," the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Underinsured Motorists Coverage shown in this endorsement.
2. Except in the event of a "settlement agreement," the Limit Of Insurance for this coverage shall be reduced by all sums paid or payable:
  - a. By or for anyone who is legally responsible, including all sums paid under this Coverage Form's Liability Coverage.
  - b. Under any workers' compensation, disability benefits or similar law. However, the Limit of Insurance for this coverage shall not be reduced by any sums paid or payable under Social Security disability benefits.
  - c. Under any automobile medical payments coverage.
3. In the event of a "settlement agreement," the maximum Limit Of Insurance for this coverage shall be the amount by which the limit of insurance for this coverage exceeds the limits of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".
4. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form.

### E. Changes In Conditions

The conditions are changed for Underinsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.



- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible underinsured motorists insurance providing coverage on a primary basis.
  - c. If the coverage under this Coverage Form is provided:
    - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
    - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.
2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:
- a. Give us written notice of a "tentative settlement" and allow us to advance payment in an amount equal to that settlement within 30 days after receipt of notification to preserve our rights against the owner or operator of the "underinsured motor vehicle".
  - b. File "suit" against the owner or operator of the "underinsured motor vehicle" prior to the conclusion of a "settlement agreement". Such "suit" cannot be abandoned or settled without giving us written notice of a "tentative settlement" and allowing us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the "underinsured motor vehicle".
  - c. Promptly send us copies of the legal papers if a "suit" is brought.
3. **Legal Action Against Us** is replaced by the following:
- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
  - b. Any legal action against us under this Coverage Form must be brought within two years after the date of the "accident". However, this Paragraph 3.b. does not apply if, within two years after the date of the "accident":
    - (1) Arbitration proceedings have commenced in accordance with the provisions of this Coverage Form; or
    - (2) The "insured" has filed an action for "bodily injury" against the owner or operator of an "underinsured motor vehicle", and such action is:
      - (a) Filed in a court of competent jurisdiction; and
      - (b) Not barred by the applicable state statute of limitations.
- In the event that the two year time limitation identified in this condition does not apply, the applicable state statute of limitations will govern legal action against us under this Coverage Form.
4. The following is added to **Transfer Of Rights Of Recovery Against Others To Us**:
- Transfer Of Rights Of Recovery Against Others To Us** does not apply to damages caused by an "accident" with an "underinsured motor vehicle" if we:
- a. Have been given written notice of a "tentative settlement" between an "insured" and the insurer of an "underinsured motor vehicle"; and
  - b. Fail to advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of the notice.
- If we advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of notice:
- a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and
  - b. We will also have a right to recover the advanced payment.
- However, in the event of a "settlement agreement," we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

5. The following Conditions are added:

#### REIMBURSEMENT AND TRUST

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

However, in the event of a "settlement agreement," we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

#### ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured," then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

#### F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a

resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.
3. "Settlement agreement" means we and an "insured" agree that the "insured" is legally entitled to recover, from the owner or operator of the "underinsured motor vehicle," damages for "bodily injury" and, without arbitration, agree also as to the amount of damages. Such agreement is final and binding regardless of any subsequent judgment or settlement reached by the "insured" with the owner or operator of the "underinsured motor vehicle".
4. "Tentative settlement" means an offer from the owner or operator of the "underinsured motor vehicle" to compensate an "insured" for damages incurred because of "bodily injury" sustained in an accident involving an "underinsured motor vehicle".
5. "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but that sum is either less than the Limit of Insurance of this coverage or reduced by payments to other persons resulting from the same "accident" to an amount less than the Limit of Insurance of this coverage. However, "underinsured motor vehicle" does not include any vehicle:
  - a. Owned or operated by any self-insurer under any applicable motor vehicle law.
  - b. Owned by a governmental unit or agency.
  - c. Designed for use mainly off public roads while not on public roads.
  - d. Which is an "uninsured motor vehicle".



POLICY NUMBER: TRA 5284060

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****RENTAL REIMBURSEMENT COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:****Endorsement Effective Date:****SCHEDULE**

Coverage	Designation Or Description Of Covered "Autos" To Which This Insurance Applies	Maximum Payment Each Covered "Auto"			Premium
		Any One Day	No. Of Days	Any One Period	
<b>Comprehensive</b>	11 FORD EXPLORER LIM 0051	\$ 50	30	\$ 1,500	\$ INCL
	10 FORD FOCUS SE 9328	\$ 50	30	\$ 1,500	\$ INCL
<b>Collision</b>	11 FORD EXPLORER LIM 0051	\$ 50	30	\$ 1,500	\$ INCL
	10 FORD FOCUS SE 9328	\$ 50	30	\$ 1,500	\$ INCL
<b>Specified Causes Of Loss</b>		\$		\$	\$
		\$		\$	\$
<b>Total Premium</b>					\$ INCL

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** This endorsement provides only those coverages where a premium is shown in the Schedule. It applies only to a covered "auto" described or designated in the Schedule.
- B.** We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage.
- C.** We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:
1. The number of days reasonably required to repair or replace the covered "auto." If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you.
  2. The number of days shown in the Schedule.
- D.** Our payment is limited to the lesser of the following amounts:
1. Necessary and actual expenses incurred.
  2. The maximum payment stated in the Schedule applicable to "any one day" or "any one period."
- E.** This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
- F.** If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the Physical Damage Coverage Coverage Extension.



POLICY NUMBER: TRA 5284060

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****RENTAL REIMBURSEMENT COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:****Endorsement Effective Date:****SCHEDULE**

Coverage	Designation Or Description Of Covered "Autos" To Which This Insurance Applies	Maximum Payment Each Covered "Auto"			Premium
		Any One Day	No. Of Days	Any One Period	
<b>Comprehensive</b>	10 FORD ESCAPE LIMIT 3143	\$ 50	30	\$ 1,500	\$ INCL
<b>Collision</b>	10 FORD ESCAPE LIMIT 3143	\$ 50	30	\$ 1,500	\$ INCL
<b>Specified Causes Of Loss</b>		\$		\$	\$
<b>Total Premium</b>					\$ INCL

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. This endorsement provides only those coverages where a premium is shown in the Schedule. It applies only to a covered "auto" described or designated in the Schedule.
- B. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage.
- C. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:
  1. The number of days reasonably required to repair or replace the covered "auto." If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you.
  2. The number of days shown in the Schedule.
- D. Our payment is limited to the lesser of the following amounts:
  1. Necessary and actual expenses incurred.
  2. The maximum payment stated in the Schedule applicable to "any one day" or "any one period."
- E. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
- F. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the Physical Damage Coverage Coverage Extension.



POLICY NUMBER: TRA 5284060

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DRIVE OTHER CAR COVERAGE - BROADENED  
COVERAGE FOR NAMED INDIVIDUALS**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:****Endorsement Effective Date:****SCHEDULE****Name of Individual:**

DAN SJONG  
 SPOUSE

<b>Liability</b>	<b>Limit:</b>	<b>\$</b>	<b>Premium:</b>	<b>\$ INCL</b>
<b>Auto Medical Payments</b>	<b>Limit:</b>	<b>\$</b>	<b>Premium:</b>	<b>\$ INCL</b>
<b>Comprehensive</b>	<b>Deductible:</b>	<b>\$ 1,000</b>	<b>Premium:</b>	<b>\$ INCL</b>
<b>Collision</b>	<b>Deductible:</b>	<b>\$ 1,000</b>	<b>Premium:</b>	<b>\$ INCL</b>
<b>Uninsured Motorists</b>	<b>Limit:</b>	<b>\$</b>	<b>Premium:</b>	<b>\$ INCL</b>
<b>Underinsured Motorists</b>	<b>Limit:</b>	<b>\$</b>	<b>Premium:</b>	<b>\$ INCL</b>

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**Note** - When Uninsured Motorists Coverage is provided at limits higher than the basic limits required by a financial responsibility law, Underinsured Motorists Coverage is included, unless otherwise noted. If Underinsured Motorists Coverage is provided as a separate coverage, make appropriate entry in the Schedule above.

**A.** This endorsement changes only those coverages where a premium is shown in the Schedule.

**B. Changes In Liability Coverage**

1. Any "auto" you don't own, hire or borrow is a covered "auto" for Liability Coverage while being used by any individual named in the Schedule or by his or her spouse while a resident of the same household except:

a. Any "auto" owned by that individual or by any member of his or her household.

b. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos."

2. The following is added to **Who Is An Insured:**

Any individual named in the Schedule and his or her spouse, while a resident of the same household, are "insureds" while using any covered "auto" described in Paragraph **B.1.** of this endorsement.

**C. Changes In Auto Medical Payments And Uninsured And Underinsured Motorists Coverages**

The following is added to **Who Is An Insured**:

Any individual named in the Schedule and his or her "family members" are "insureds" while "occupying" or while a pedestrian when being struck by any "auto" you don't own except:

Any "auto" owned by that individual or by any "family member."

**D. Changes In Physical Damage Coverage**

Any private passenger type "auto" you don't own, hire or borrow is a covered "auto" while in the care, custody or control of any

individual named in the Schedule or his or her spouse while a resident of the same household except:

1. Any "auto" owned by that individual or by any member of his or her household.
2. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos."

**E. Additional Definition**

As used in this endorsement:

"Family member" means a person related to the individual named in the Schedule by blood, marriage or adoption who is a resident of the individual's household, including a ward or foster child.

**COMMERCIAL AUTO****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****BUSINESS AUTO EXPANDED PLUS COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM****1. BUSINESS AUTO COVERAGE FORM CA 0001 IS MODIFIED AS FOLLOWS:**

**SECTION II - LIABILITY COVERAGE, Item A. 1. Coverage, Who Is An Insured** is amended to include the following additional paragraphs:

- d. Any legally incorporated subsidiary of yours in which you own more than 50% of the voting stock on the effective date of this coverage form.

However, "insured" does not include any subsidiary that is an "insured" under any other liability policy or would be an "insured" under such a policy but for its termination or the exhaustion of its limits of insurance.

- e. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or a majority interest. However, coverage under this provision:

- (1) Does not apply if the organization you acquire or form is an "insured" under another liability policy or would be "insured" under such a policy but for its termination or the exhaustion of its limits of insurance;

- (2) Does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

- (3) Is afforded only for the first 180 days after you acquire or form the organization or until the end of the policy period, whichever comes first.

- f. Any person or organization with whom you agreed in writing in a contract, agreement or permit, to provide insurance such as is afforded under this policy.

This provision only applies if the written contract or agreement has been executed or permit has been issued, prior to the "bodily injury" or "property damage".

- g. Any "employees" of yours while using a covered "auto" you do not own, hire or borrow that "auto".

**SECTION II - LIABILITY COVERAGE**, subparagraphs (2) and (4) of item A. 2. a. **Coverage Extensions, Supplementary Payments** are deleted and replaced with the following:

- (2) Up to \$5,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 per day because of time off from work.

**SECTION II - LIABILITY COVERAGE, B. Exclusions, 5. Fellow Employee** does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire.

**SECTION III - PHYSICAL DAMAGE COVERAGE** is amended as follows:

Item A. 4. **Coverage, Coverage Extension** is deleted and replaced by the following:

**4. Coverage Extensions****a. Transportation Expenses**

We will pay up to \$50 per day to a maximum of \$1,000 for transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss."

**b. Personal Effects**

We will pay up to \$500 for the "loss" of your personal effects that are contained in a covered "auto" due to the total theft of the covered "auto." We will pay only for those personal effects that are contained in covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage.

Our payment for loss of or damage to personal effects will apply only on an excess basis over other collectible insurance.

Item **A. Coverage**, is amended to include the following additional coverage items:

We will pay the expense of returning a stolen covered "auto" to you.

**5. Hired Auto Physical Damage**

If Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this policy, then we will provide the same coverage(s) for those "autos" that you lease, hire, rent or borrow from others. The most we will pay for any one "accident" or "loss" is \$50,000 or Actual Cash Value or Cost of Repair, whichever is less, minus a deductible for each covered "auto" that is equal to the largest deductible on the schedule of "autos" applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning.

**6. Fire Department Service Charge**

When a fire department is called to save or protect a covered "auto", its equipment, its contents, or occupants from a covered cause of loss, we will pay up to \$1,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No deductible applies to this additional coverage.

Under **Paragraph B. Exclusions** the following is added:

Mechanical breakdown does not apply to the accidental discharge of an airbag.

Item **B. Exclusions**, is amended to include the following:

Exclusions **4.c.** and **4.d.** do not apply to:

- c. Cellular telephones and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" elec-

trical system, in or upon the covered "auto".

Item **C. Limits Of Insurance**, is amended to include the following:

5. For those businesses not shown in the Declarations as "auto" dealerships, the following provisions also apply:

- a. In the event of a total loss to a covered "auto", secured by an original lease or loan agreement, in which the cost of repairs plus the salvage value exceeds the actual cash value at the time of "loss", the most we will pay is the greater of:

- (1) The actual cash value of the covered "auto" at the time of "loss"; or

- (2) The amount you owe under the terms of the original lease or loan agreement to which the covered "auto" is subject, reduced by:

- (a) Overdue payments and associated financial penalties as of the date of "loss";

- (b) The transfer or rollover of a previous outstanding lease or loan balance from another vehicle to the original lease or loan for the covered "auto";

- (c) The dollar amount of any unrepaired damage which occurred prior to the date of a total loss, in which the cost of repairs plus the salvage value exceeds the actual cash value;

- (d) All refunds paid or payable to you as a result of the early termination of the lease or loan agreement or, to the extent financed, as a result of the early termination of any warranty or extended service agreement on the covered "auto";

- (e) Financial penalties imposed under the lease agreement for high mileage, excessive use or abnormal wear and tear; and

- (f) Nonrefundable security deposits.



Item **D. Deductible** is deleted and replaced with the following:

**D. Deductible**

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations.

1. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.
2. Any Collision Coverage deductible amount shall not apply to loss caused by collision between your covered "auto" and an "auto", other than a covered "auto", provided:
  - a. The loss to the covered "auto" is greater than the deductible amount; and
  - b. The owner or operator of such other "auto" has been identified; and
  - c. The owner or operator of such other "auto" is legally liable for the loss to your covered "auto;" and
  - d. There is a valid Property Damage Liability Insurance Policy applicable at the time of the accident with respects to the person or organization legally responsible for such loss to the covered "auto."
3. No deductible shall apply to glass damage if the glass is repaired rather than replaced.

**SECTION IV - BUSINESS AUTO CONDITIONS** is amended as follows:

Item **A. Loss Conditions, 2. a. Duties In The Event Of Accident, Claim, Suit Or Loss** is amended to include the following paragraph:

This requirement applies when the "accident," claim, "suit" or "loss" is first known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

The following is added to Item **5. Transfer Of Rights Of Recovery Against Others To Us**

We waive any right or recovery we may have against any person or organization for whom you are required in a written contract or agreement to include a waiver of transfer of rights of recovery against others to us, because of payments we make for injury or damage done under a contract with that person or organization.

Item **B. 2. General Conditions, Concealment, Misrepresentation Or Fraud** is amended to include the following additional paragraph:

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Part because of such failure.

Item **B. 7. General Conditions, Policy Period, Coverage Territory** is amended to include the following additional paragraph:

6. For short-term (30 days or less) hired autos, the coverage territory is anywhere in the world, provided that if the insured's responsibility to pay damages is determined in a "suit," that "suit" is brought in the territory described in items 7.(1) - (4).



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. The CANCELLATION COMMON POLICY Condition is replaced by the following:**

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing us advance written notice of cancellation.
- b. When this policy is in effect 61 days or more or is a renewal or continuation policy, we may cancel only for one or more of the following reasons by mailing you written notice of cancellation stating the reasons for cancellation.
  - (1) Nonpayment of premium.
  - (2) The policy was obtained through a material misrepresentation.
  - (3) Any "insured" has violated any of the terms and conditions of the policy.
  - (4) The risk originally accepted has measurably increased.
  - (5) Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured.
  - (6) A determination by the Director of Insurance that the continuation of the policy could place us in violation of the Illinois insurance laws.
- c. If we cancel for nonpayment of premium, we will mail you at least 10 days written notice.
- d. If this policy is cancelled for other than nonpayment of premium and the policy is in effect:
  - (1) 60 days or less, we will mail you at least 30 days written notice.

- (2) 61 days or more, we will mail you at least 60 days written notice.

- e. If this policy is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. The effective date of cancellation stated in the notice shall become the end of the policy period.
- g. Our notice of cancellation will state the reason for cancellation.
- h. A copy of the notice will also be sent to your agent or broker and the loss payee.

**B. The following is added and supersedes any provision to the contrary:**

**NONRENEWAL**

If we decide not to renew or continue this policy, we will mail you, your agent or broker and the loss payee written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer. If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

**C. MAILING OF NOTICES**

We will mail cancellation and nonrenewal notices to the last addresses known to us. Proof of mailing will be sufficient proof of notice.

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WAIVER OF COLLISION DEDUCTIBLE - NOT AT FAULT ACCIDENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
TRUCKERS COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM**

The deductible amount shall not apply to loss caused by collision between your covered auto and another automobile, provided:

- (a) The loss to the covered auto is greater than the deductible amount; and
- (b) The owner or operator of such other automobile has been identified; and
- (c) The owner or operator of such other automobile is legally liable for the loss to your covered auto; and
- (d) There is a valid Property Damage Liability Insurance Policy applicable at the time of the accident with respect to the person or organization legally responsible for such loss to the covered auto.

**CA 70 07 10 87**

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**LOSS PAYABLE CLAUSE**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** We will pay, as interest may appear, you and the loss payee named in the policy for "loss" to a covered "auto."
- B.** The insurance covers the interest of the loss payee unless the "loss" results from conversion, secretion or embezzlement on your part.
- C.** We may cancel the policy as allowed by the CANCELLATION Common Policy Condition. Cancellation ends this agreement as to the loss payee's interest. If we cancel the policy we will mail you and the loss payee the same advance notice.
- D.** If we make any payments to the loss payee, we will obtain his or her rights against any other party.

# INLAND MARINE COVERAGE

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INLAND MARINE COVERAGE




**WESTFIELD**  
**INSURANCE**

Sharing Knowledge. Building Trust.®

**COMMERCIAL INLAND MARINE  
 RENEWAL DECLARATIONS  
 SCHEDULE OF COVERAGE FORMS**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

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**WIC Account Number:** 1200801619

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**Policy  
Period****From  
To**01/01/12  
01/01/13
**at 12:01 A.M. Standard Time at your  
 mailing address shown above.**
**This policy contains the following Inland Marine Coverage Forms:**
**Coverage Forms**

Accounts Receivable

Fine Arts Coverage

Valuable Papers and Records

Contractors' Equipment Coverage

Transportation Coverage

Computer Coverage

Bldrs Risk Cov Scheduled Jobsite Form Comprehensive Form

Installation Floater Coverage

**Premium**

Included

Included

Included

\$ 2,264.00

\$ 470.00

\$ 165.00

\$ 7,460.00

\$ 823.00

**Total Advance Annual Inland Marine Premium \$ 11,182.00**
**All Forms and Endorsements applicable to Inland Marine Coverages:**

CM0204	0705*, CM0128	0399*, CM0001	0904*, CM7090	0300*, IL0952	0308*,
CM7001	1110*, CM0066	0310*, IM7083	0810*, IM7095	0810*, IM2027	0809*,
IM7055	0908*, IM7050	0908*, CL0700	1006*, IM7086	0908*, IM7085	0908*,
IM7206	1002*, IM7201	1002*, IM7234	0501*, IM7037	0906*, IM7005	0404*,
IM7000	0404*, IM7017	0604*, CM7164	0811*, IM7902	0404*, IM7854	0808*,
CM7162	0611*, CM7100	0904*, CM7044	0292*, IM7105	0810*, IM7100	0810*,
IM7117A	0810*, IM7255	0404*, IM7250	0404*, IM7275	1110*, CM7000	0292*,
CM0067	0310*				





**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**

- A. Cancellation** (Common Policy Conditions) is replaced by the following:

**CANCELLATION**

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2.
  - a. We may cancel this policy by mailing to you written notice stating the reason for cancellation.
  - b. If we cancel for nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
  - c. If we cancel for a reason other than nonpayment of premium, we will mail the notice at least:
    - (1) 30 days prior to the effective date of cancellation if the policy has been in effect for less than 60 days.
    - (2) 60 days prior to the effective date of cancellation if the policy has been in effect for more than 60 days.
3. If this policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
  - a. Nonpayment of premium;
  - b. The policy was obtained through a material misrepresentation;
  - c. Any insured has violated any of the terms and conditions of the policy;
  - d. The risk originally accepted has measurably increased;
  - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or
  - f. A determination by the Director of Insurance that the continuation of the policy could place us in violation of the insurance laws of this State.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. If this policy is cancelled we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

6. A copy of the notice will also be sent to your agent or broker.

- B. The following is added and supersedes any provision to the contrary:**

**NONRENEWAL**

If we decide not to renew or continue this policy, we will mail you and your agent or broker written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

**C. Mailing of Notices**

We will mail cancellation and nonrenewal notices to the last addresses known to us. Proof of mailing will be sufficient proof of notice.

- D. General Condition C. Legal Action Against Us** in the Commercial Inland Marine Conditions is replaced by the following:

**C. Legal Action Against Us**

No one may bring a legal action against us:

1. Until there has been full compliance with all the terms of this Coverage Part; and
2. More than 2 years after you first have knowledge of the direct loss or damage. But we will extend this 2 year period by the number of days between the date proof of loss is filed and the date the claim is denied in whole or in part.



## COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

### LOSS CONDITIONS

#### A. Abandonment

There can be no abandonment of any property to us.

#### B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

#### C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasi-

ble, set the damaged property aside and in the best possible order for examination.

5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. We may examine any insured under oath, while not in presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

#### D. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

#### E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.

3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
  - a. We have reached agreement with you on the amount of the loss; or
  - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

#### **F. Other Insurance**

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

#### **G. Pair, Sets Or Parts**

##### **1. Pair or Set**

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

##### **2. Parts**

In case of loss or damage to any part of Covered Property consisting of several

parts when complete, we will only pay for the value of the lost or damaged part.

#### **H. Recovered Property**

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

#### **I. Reinstatement Of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

#### **J. Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at the time of loss, that party is one of the following:
  - a. Someone insured by this insurance; or
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you.

This will not restrict your insurance.

#### **GENERAL CONDITIONS**

##### **A. Concealment, Misrepresentation Or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

**B. Control Of Property**

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

**C. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

**D. No Benefit To Bailee**

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

**E. Policy Period, Coverage Territory**

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

**F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY

### **A. Cap On Certified Terrorism Losses**

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

### **B. Application Of Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.





**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES - INTENTIONAL ACTS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**

The following exclusion is added:

**A.** We will not pay for loss or damage arising out of any act committed:

1. By or at the direction of any insured; and
2. With the intent to cause a loss.

**B.** However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:

1. The loss arose out of a pattern of criminal domestic violence; and

2. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

**C.** If we pay a claim pursuant to Paragraph **B.**, our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.




**WESTFIELD**  
**INSURANCE**

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**COMMERCIAL INLAND MARINE**  
**RENEWAL DECLARATIONS**  
**ACCOUNTS RECEIVABLE COVERAGE**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

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**Policy**  
**Period**
**From**  
**To**

 01/01/12  
 01/01/13

 at 12:01 A.M. Standard Time at your  
 mailing address shown above.
**DESCRIPTION OF PREMISES**

Loc Bldg Street Address, City &amp; State

**Occupancy**
 \*Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for  
 Coverages and Limits of Insurance.\*
**COVERED PROPERTY AND LIMITS OF INSURANCE**
 A. Coverage Applicable At Your Premises  
 Loc Bldg Item
**Limits of Insurance**

B. Coverage Applicable Away From Your Premises

\* 80 % COINSURANCE APPLIES. REFER TO COVERAGE FORM.

 Loc Bldg Item Class Label **DESCRIPTION OF RECEPTACLES**  
 Issuer Manufacturer

**Total Advance Annual**  
**Accounts Receivable Premium**
**Included****Forms and Endorsements applicable to this coverage:**



## ACCOUNTS RECEIVABLE COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section E - Definitions.

### A. Coverage

#### 1. We will pay:

- a. All amounts due from your customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
- d. Other reasonable expenses that you incur to reestablish your records of accounts receivable;

that result from Covered Causes of Loss to your records of accounts receivable.

#### 2. Property Not Covered

Coverage does not apply to:

- a. Records of accounts receivable in storage away from the "premises" shown in the Declarations; or
- b. Contraband, or property in the course of illegal transportation or trade.

#### 3. Covered Causes Of Loss

Covered Causes of Loss means Direct Physical Loss Or Damage to your records of accounts receivable except those causes of loss listed in the Exclusions.

#### 4. Additional Coverage - Collapse

The coverage provided under this Additional Coverage - Collapse applies only to an abrupt collapse as described and limited in Paragraphs a. through c.

- a. For the purpose of this Additional Coverage - Collapse, abrupt collapse means an abrupt falling down

or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

- b. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that contains Covered Property insured under this coverage form, if such collapse is caused by one or more of the following:

- (1) Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- (2) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- (3) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- (4) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
  - (a) A cause of loss listed in Paragraph (1) or (2);
  - (b) One or more of the following causes of loss: Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage; earthquake; all only as insured against in this coverage form;
  - (c) Weight of people or personal property; or
  - (d) Weight of rain that collects on a roof;

- c. This Additional Coverage - Collapse will not increase the Limits of Insurance provided in this coverage form.

taken by governmental authority in hindering or defending against any of these.

## 5. Coverage Extension

### REMOVAL

If you give us written notice within 10 days of removal of your records of accounts receivable because of imminent danger of loss or damage, we will pay for loss or damage while they are:

- a. At a safe place away from your "premises"; or
- b. Being taken to and returned from that place.

This Coverage Extension is included within the Limit of Insurance applicable to the "premises" from which the records of accounts receivable are removed.

## B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

### a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

### b. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this coverage form.

### c. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action

Exclusions B.1.a. through B.1.c. apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for a loss or damage caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss.

- b. Dishonest or criminal act committed by:

- (1) You, any of your partners, employees, directors, trustees, or authorized representatives;

- (2) A manager or a member if you are a limited liability company;

- (3) Anyone else with an interest in the property, or their employees or authorized representatives; or

- (4) Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your employees. But theft by employees is not covered.

- c. Alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of money, securities or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding.

- d. Bookkeeping, accounting or billing errors or omissions.

- e. Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:

- (1) Programming errors or faulty machine instructions;

- (2) Faulty installation or maintenance of data processing equipment or component parts;

- (3) An occurrence that took place more than 100 feet from your "premises"; or
- (4) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 100 feet from your "premises".

But we will pay for direct loss or damage caused by lightning.

- f. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
  - g. Unauthorized instructions to transfer property to any person or to any place.
  - h. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
3. We will not pay for loss or damage that requires any audit of records or any inventory computation to prove its factual existence.
4. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
  - c. Faulty, inadequate or defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or
    - (4) Maintenance;
 of part or all of any property wherever located.

- d. Collapse, including any of the following conditions of property or any part of the property:

- (1) An abrupt falling down or caving in;
- (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinking or expansion as such condition relates to Paragraph (1) or (2).

This Exclusion, d., does not apply to the extent that coverage is provided under the Additional Coverage - Collapse or to collapse caused by one or more of the following: Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage; earthquake; weight of people or personal property; weight of rain that collects on a roof.

#### C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

#### D. Additional Conditions

##### 1. Determination Of Receivables

General Condition F. **Valuation** in the Commercial Inland Marine Conditions is replaced by the following:

- a. If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage, the following method will be used:
  - (1) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and
  - (2) Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
- b. The following will be deducted from the total amount of accounts receivable, however that amount is established:

- (1) The amount of the accounts for which there is no loss or damage;
- (2) The amount of the accounts that you are able to reestablish or collect;
- (3) An amount to allow for probable bad debts that you are normally unable to collect; and
- (4) All unearned interest and service charges.

**2. Recoveries**

The following is added to Loss Condition **H. Recovered Property** in the Commercial Inland Marine Conditions:

You will pay us the amount of all recoveries you receive for a loss or damage paid by us. But any recoveries in excess of the amount we have paid belong to you.

3. The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

**a. Coverage Territory**

We cover records of accounts receivable:

- (1) Within your "premises"; and
- (2) Away from your "premises" while in transit or within premises of others if those premises are located or the transit is within:
  - (a) The United States of America (including its territories and possessions);
  - (b) Puerto Rico; and
  - (c) Canada.

**b. Coinsurance**

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

We will not pay the full amount of any loss if the value of all accounts receivable, except those in transit, at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for Coverage Applicable at All Locations.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of all accounts receivable, except those in transit, at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance for Coverage Applicable At All Locations by the figure determined in Step (1); and
- (3) Multiply the total amount of loss by the figure determined in Step (2).

We will pay the amount determined in Step (3) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

This condition will not apply to records of accounts receivable in transit, interest charges, excess collection expenses or expenses to reestablish your records of accounts receivable.

**c. Protection Of Records**

Whenever you are not open for business, and except while you are actually using the records, you must keep all records of accounts receivable in receptacles that are described in the Declarations.

**E. Definitions**

"Premises" means that interior portion of the building at the address shown in the Declarations that you occupy for your business.




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**COMMERCIAL INLAND MARINE  
RENEWAL DECLARATIONS  
VALUABLE PAPERS AND RECORDS COVERAGE**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

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**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13
 at 12:01 A.M. Standard Time at your  
 mailing address shown above.
**COVERED PROPERTY AND LIMITS OF INSURANCE**
 Specifically Described Property  
 Loc Bldg Item Description
**Limit of Insurance**
 \*Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for  
 Coverages and Limits of Insurance.\*

 All Other Covered Property  
 Loc Bldg Item
**Limit of Insurance**
 Property Away From Your Premises  
 Item
**Limit of Insurance****Loc Bldg Item Class Label**
**DESCRIPTION OF RECEPTACLES**  
 Issuer Manufacturer

**Total Advance Annual  
 Valuable Papers and Records Premium**
**Included**
**Forms and Endorsements applicable to this coverage:**  
 CM7000 0292\*, CM0067 0310\*.



## VALUABLE PAPERS AND RECORDS COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F - Definitions.

### A. Coverage

We will pay for direct physical loss of or damage to Covered Property from any of the Covered Causes of Loss.

1. Covered Property, as used in this Coverage Form, means "valuable papers and records" that are your property or property of others in your care, custody or control.

#### 2. Property Not Covered

Covered Property does not include:

- a. Property not specifically declared and described in the Declarations if such property cannot be replaced with other property of like kind and quality;
- b. Property held as samples or for delivery after sale;
- c. Property in storage away from the "premises" shown in the Declarations; or
- d. Contraband, or property in the course of illegal transportation or trade.

#### 3. Covered Causes Of Loss

Covered Causes of Loss means Direct Physical Loss Or Damage to Covered Property except those causes of loss listed in the Exclusions.

#### 4. Additional Coverage - Collapse

The coverage provided under this Additional Coverage - Collapse applies only to an abrupt collapse as described and limited in Paragraphs a. through c.

- a. For the purpose of this Additional Coverage - Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

- b. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that contains Covered Property insured under this coverage form, if such collapse is caused by one or more of the following:

- (1) Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- (2) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- (3) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- (4) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
  - (a) A cause of loss listed in Paragraph (1) or (2);
  - (b) One or more of the following causes of loss: Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage; earthquake; all only as insured against in this coverage form;
  - (c) Weight of people or personal property; or
  - (d) Weight of rain that collects on a roof;

- c. This Additional Coverage - Collapse will not increase the Limits of Insurance provided in this coverage form.

**5. Coverage Extensions**

**a. Removal**

If you give us written notice within 10 days of removal of your "valuable papers and records" because of imminent danger of loss or damage, we will pay for loss or damage while it is:

- (1) At a safe place away from your "premises"; or
- (2) Being taken to and returned from that place.

This Coverage Extension is included within the Limits of Insurance applicable to the "premises" from which the Covered Property is removed.

**b. Away From Your Premises**

We will pay up to \$5,000 for loss or damage to Covered Property while it is away from your "premises".

But if a higher Limit of Insurance is specified in the Declarations, the higher limit will apply.

The limit for this Coverage Extension is additional insurance.

**B. Exclusions**

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

**a. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this coverage form.

**b. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this coverage form.

**c. War And Military Action**

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

Exclusions **B.1.a.** through **B.1.c.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss.

- b. Dishonest or criminal act committed by:

- (1) You, any of your partners, employees, directors, trustees, or authorized representatives;

- (2) A manager or a member if you are a limited liability company;

- (3) Anyone else with an interest in the property, or their employees or authorized representatives; or

- (4) Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your employees. But theft by employees is not covered.

- c. Errors or omissions in processing or copying.

But if errors or omissions in processing or copying result in fire or explosion, we will pay for the direct loss or damage caused by that fire or explosion if fire or explosion would be covered under this coverage form.

- d. Electrical or magnetic injury, disturbance or erasure of electronic recordings.

But we will pay for direct loss or damage caused by lightning.

- e. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
  - f. Unauthorized instructions to transfer property to any person or to any place.
  - g. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
  - c. Faulty, inadequate or defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or
    - (4) Maintenance;
 of part or all of any property wherever located.
  - d. Collapse, including any of the following conditions of property or any part of the property:
    - (1) An abrupt falling down or caving in;
    - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
    - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinking or expansion as such

condition relates to Paragraph (1) or (2).

This Exclusion, d., does not apply to the extent that coverage is provided under the Additional Coverage - Collapse or to collapse caused by one or more of the following: Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage; earthquake; weight of people or personal property; weight of rain that collects on a roof.

- e. Wear and tear, any quality in the property that causes it to damage or destroy itself, gradual deterioration; insects, vermin or rodents.

### C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

### D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

### E. Additional Conditions

#### 1. Valuation - Specifically Declared Items

The following is added to General Condition F. **Valuation** in the Commercial Inland Marine Conditions:

The value of each item of property that is specifically declared and described in the Declarations is the applicable Limit of Insurance shown in the Declarations for that item.

#### 2. Recoveries

The following is added to Loss Condition H. **Recovered Property** in the Commercial Inland Marine Conditions:

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. If so, your loss or damage will be readjusted based on the amount you received for the property recovered, with allowance for recovery expenses incurred.

- 3. The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

**a. Coverage Territory**

We cover property:

- (1) Within your "premises"; and
- (2) Away from your "premises" while in transit or within premises of others if those premises are located or the transit is within:
  - (a) The United States of America (including its territories and possessions);
  - (b) Puerto Rico; and
  - (c) Canada.

**b. Protection Of Records**

Whenever you are not open for business, and except while you are actually using the property, you must keep all "valuable papers and records" in receptacles that are described in the Declarations.

**F. Definitions**

1. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps or mortgages.

But "valuable papers and records" does not mean "money" or "securities", converted data, programs or instructions used in your data processing operations, including the materials on which the data is recorded.

2. "Premises" means that interior portion of the building at the address shown in the Declarations that you occupy for your business.
3. "Money" means:
  - a. Currency, coins and bank notes whether or not in current use; and
  - b. Travelers checks, register checks and money orders held for sale to the public.
4. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
  - a. Tokens, tickets, revenue and other stamps whether or not in current use; and
  - b. Evidences of debt issued in connection with credit or charge cards, which cards are not of your own issue;

but does not include "money".


**WESTFIELD**  
**INSURANCE**

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**COMMERCIAL INLAND MARINE**  
**RENEWAL DECLARATIONS**  
**FINE ARTS COVERAGE**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

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**WIC Account Number:** 1200801619

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**Policy  
Period**
**From** 01/01/12  
**To** 01/01/13

**at 12:01 A.M. Standard Time at your  
 mailing address shown above.**
**COVERED PROPERTY AND LIMITS OF INSURANCE**

<u>Item No.</u>	<u>Description</u>	<u>Limit of Insurance</u>
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※Refer to Commercial Property Expanded and/or Signature Series Schedules(s) for Coverages and Limits of Insurance.※



Coverage for Breakage Provided

**Total Advance Annual  
 Fine Arts Coverage Premium**

Included

**Forms and Endorsements applicable to this coverage:**  
 CM7100 0904\*, CM7044 0292\*.





## FINE ARTS COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not insured.

Throughout this policy, the words "you", "your" or "yours" refer to the Named Insured shown in the Declarations. The words "we", "our" or "ours" and "us" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have a special meaning. Refer to Section F. - DEFINITIONS.

### A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of "Loss".

**1. COVERED PROPERTY**, as used in this Coverage Form, means:

Fine Arts described in the Declarations which is:

- a. Your property; or
- b. Property of others which is in your care, custody, or control.

**2. PROPERTY NOT COVERED**

Covered Property does not include:

- a. Property on exhibition at fairgrounds or on the premises of any national or international exposition;
- b. Contraband; or
- c. Property in the course of illegal transportation or trade.

**3. COVERED CAUSES OF LOSS**

Covered Causes of "Loss" means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in the Exclusions.

**4. ADDITIONAL COVERAGE**

**a. Collapse**

We will pay for direct "loss" caused by or resulting from risks of direct physical "loss" involving collapse of all or part of a building or structure caused by one or more of the following:

- (1) Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; breakage of glass; falling objects; weight of snow, ice or sleet; water damage; all only as covered in this Coverage Form;

- (2) Hidden decay;

- (3) Hidden insect or vermin damage;

- (4) Weight of people or personal property;

- (5) Weight of rain that collects on a roof;

- (6) Use of defective materials or methods in construction, remodeling, or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

### B. EXCLUSIONS

- 1. We will not pay for a "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss":

**a. GOVERNMENT ACTION**

Seizure or destruction of property by order of governmental authority;

We will pay for acts of destruction ordered by the governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

**b. NUCLEAR HAZARD**

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

**C. WAR AND MILITARY ACTION**

War including undeclared or civil war;

Warlike action by a military force, including action taken in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for a "loss" caused by or resulting from any of the following:

If coverage for Breakage is indicated by an "☒" in the Declarations, exclusion 2.a. will not apply.

- a. Breakage of statuary, marbles, glassware, bric-a-brac, porcelains, and similar fragile articles, unless caused by fire, lightning, aircraft, theft and/or attempted theft, cyclone, tornado, windstorm, earthquake, flood, explosion, malicious damage or collision, derailment or overturn of conveyance;

- b. Dishonest or criminal acts:

By you, or any of your employees;

By anyone authorized to act for you;

By anyone to whom the property is entrusted;

All whether alone or in collusion with others and whether during hours of employment or not;

But this exclusion does not apply to a carrier for hire.

- c. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense;

- d. Unauthorized instructions to transfer property to any person or to any place;

- e. Pollution:

- (1) We will not pay for loss or damage arising out of the actual, al-

tered or threatened discharge, dispersal, seepage, migration, release or escape of pollutants:

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured;

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or

- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

- (i) if the pollutants are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor; or

- (ii) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants.

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or

- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

3. We will not pay for a "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss".
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the "loss";
  - b. Acts or decisions, including the failure to act or decide, of any person, group organization or governmental body;
  - c. Faulty, inadequate or defective:
    - (1) Planning, zoning, development, surveying or siting; or
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction; or
    - (3) Materials used in repair, construction, renovation or remodeling; or
    - (4) Maintenance;
 of part or all of any property wherever located.
  - d. Collapse except as provided in the Additional Coverage - Collapse section of this coverage;
  - e. Wear and tear, gradual deterioration, any quality in property that causes it to damage or destroy itself, hidden or latent defect, depreciation; mechanical breakdown; insect, vermin, or rodents; dryness or dampness of atmosphere, extremes of temperature, corrosion, rust, mold, rot, cold, or heat.

#### **C. LIMITS OF INSURANCE**

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance specified in the Fine Arts Coverage Declarations.

#### **D. DEDUCTIBLE**

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limit of Insurance exceeds the deductible amount shown in the Fine Arts Coverage Declarations. We will then pay the amount of the adjusted "loss" in excess of the deductible, up to the applicable Limit of Insurance.

#### **E. ADDITIONAL CONDITIONS**

The following conditions apply in addition to the Commercial Inland Marine and Common Policy Conditions:

##### **1. WHERE PROPERTY IS COVERED**

The property is covered wherever located within:

- a. The United States of America; and
- b. Canada.

##### **2. ADDITIONAL ACQUIRED PROPERTY**

If, after this agreement takes effect, you acquire additional Fine Arts, we'll automatically cover it for 30 days for up to 25% of the total amount of insurance under this agreement. You will report such property within 30 days from the date acquired and will pay any additional premium due. If you do not report such property, coverage will cease automatically 30 days after the date the property is acquired.

##### **3. VALUATION**

GENERAL CONDITION E. in the Inland Marine Conditions is replaced by the following:

The amount set opposite each item in the Fine Arts Coverage Declarations is agreed to be the value for that item.

##### **4. PACKING AND UNPACKING**

You agree that the covered property will be packed and unpacked by competent packers.

##### **5. NOTICE TO POLICE**

You agree that you will report promptly to the Police Department all thefts or acts of vandals.

#### **F. DEFINITIONS**

"Loss" means accidental loss or damage.



POLICY NUMBER: TRA 5284060

POLICY PERIOD: FROM 01/01/2012 TO 01/01/2013

## SCHEDULE OF COVERAGES

### TRANSPORTATION COVERAGE

(The entries required to complete this schedule will  
be shown below or on the "schedule of coverages".)

### COVERED PROPERTY

#### DESCRIBED PROPERTY

YOUR PROPERTY & PROPERTY OF OTHERS  
ON CONSIGNMENT WHILE IN TRANSIT ON  
THE INDICATED MODES BELOW SUBJ TO  
TERMS & CONDITIONS IN COVERAGE FORM

Catastrophe Limit - The most "we" pay for loss in any one occurrence is:	\$ 100,000
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### TRANSPORTATION LIMITS

#### Modes Of Transportation

Aircraft -- The most "we" pay for loss to covered property on any one "aircraft" is:	\$ 50,000
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Owned Vehicle -- The most "we" pay for loss to covered property on any one "owned vehicle" is:	\$ 50,000
--	-----------

Carrier For Hire -- The most "we" pay for loss to covered property on any one "carrier for hire" is:	\$ 50,000
--	-----------

Railroad -- The most "we" pay for loss to covered property on any one "railroad car" is:	\$ 50,000
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The most "we" pay for loss to covered property on any one "train" is:	\$ 100,000
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### TERMINAL LIMITS

Loc. No.	TERMINALS	Limit
	No Terminals	\$ N/A

Check if applicable:

{ } Attach Additional Terminals Schedule to schedule more terminals

#### COVERAGE EXTENSIONS

Additional Debris Removal Expenses	\$ 5,000
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Emergency Removal	365 days
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**SUPPLEMENTAL COVERAGES**

Pollutant Cleanup And Removal	\$ 10,000
Property You Have Sold	\$ 10,000
Rejected Shipments	\$ 10,000

**DEDUCTIBLE**

Deductible Amount	\$ 1,000
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**OPTIONAL COVERAGES AND ENDORSEMENTS**

IM7255 0404\*, IM7250 0404\*, CL0700 1006\*, IM2027 0809\*, IM7275 1110\*.





## TRANSPORTATION COVERAGE

### AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Transportation Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

### DEFINITIONS

1. The words "you" and "your" mean the persons or organizations named as the insured on the declarations.
2. The words "we", "us", and "our" mean the company providing this coverage.
3. "Aircraft" means any one aircraft, airplane, helicopter, dirigible, or any machine capable of flight.
4. "Carrier for hire" means any one vehicle, truck, trailer, semitrailer, or combination of these pulled by one power unit operated by a carrier for hire.
5. "Limit" means the amount of coverage that applies.
6. "Owned vehicle" means any one vehicle, truck, trailer, semitrailer, or combination of these pulled by one power unit owned by "you" or leased by "you" and that is operated by "you".
7. "Perishable stock" means property preserved and maintained under controlled conditions and susceptible to loss or damage if the controlled conditions change.
8. "Pollutant" means:
  - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
  - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
9. "Railroad car" means any one railroad car, boxcar, tank car, flat car, or similar rolling stock including any railroad car transporting property in or on one or more trucks, trailers, semitrailers, or other containers.
10. "Schedule of coverages" means:
  - a. all pages labeled schedule of coverages or schedules which pertain to this coverage; and
  - b. declarations or supplemental declarations which pertain to this coverage.
11. "Specified perils" means the perils of:
  - a. fire;
  - b. lightning; windstorm; hail;
  - c. collision, overturn, or derailment of a transporting conveyance;
  - d. collapse of a bridge or culvert; and
  - e. theft.
12. "Spoilage" means any detrimental change in physical state of "perishable stock". Detrimental change includes, but is not limited to, thawing of frozen goods, warming of refrigerated goods, solidification of liquid material.
13. "Terminal" means a building where covered property is transferred between vehicles or between vehicles and other transporting conveyances.  
The transfer of covered property is limited to:
  - a. loading and unloading; and
  - b. any temporary storage associated with the transfer of property.
14. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.
15. "Train" means one or more railroad cars, boxcars, tank cars, flat cars, or similar rolling stock connected together and pulled by one or more locomotives.
16. "Transit" means the shipment of covered property that:
  - a. begins at the point of shipment to a specific destination;
  - b. includes the ordinary reasonable and necessary stops, interruptions, delays, or transfers incidental to the route and method of shipment, including rest periods taken by the driver(s); and

- c. ends upon acceptance of the goods by or on behalf of the consignee at the specified destination.

sidewalk, street, loading dock, or similar area that is adjacent to the indicated mode of transportation.

#### PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

##### 1. Property In A Terminal

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to property described on the "schedule of coverages" while at a "terminal" location.

##### b. Coverage Limitations -

- (1) "We" only cover described property while:

- (a) at a "terminal" location that is described on the "schedule of coverages" or within 100 feet of the described "terminal"; and

- (b) the property is in due course of "transit".

- (2) If property described on the "schedule of coverages" includes property of others, "we" only cover property of others to the extent of "your" legal liability for direct physical loss caused by a covered peril.

##### 2. Property In Transit

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to property described on the "schedule of coverages" while in due course of "transit" including loading and unloading.

##### b. Coverage Limitations -

- (1) "We" only cover described property while in due course of "transit" when a "limit" for one or more of the following modes of transportation is indicated on the "schedule of coverages":

- (a) Aircraft;

- (b) Owned Vehicle;

- (c) Carrier For Hire; or

- (d) Railroad.

- (2) If property described on the "schedule of coverages" includes property of others, "we" only cover property of others to the extent of "your" legal liability for direct physical loss caused by a covered peril.

- (3) "We" only cover loading and unloading if the described property is loaded from or unloaded onto a

#### PROPERTY NOT COVERED

1. **Art, Antiques And Fur** - "We" do not cover objects of art, antiques, or fur garments.

2. **Carrier For Hire** - "We" do not cover property of others that "you" are responsible for as:

- a. a carrier for hire; or

- b. an arranger of transportation; this includes carloader, consolidator, broker, freight forwarder, or shipping association.

3. **Contraband** - "We" do not cover contraband or property in the course of illegal transportation or trade.

4. **Exports And Imports** - "We" do not cover exported or imported property:

- a. that is covered under any ocean marine cargo policy that anyone has obtained to cover exports or imports; or

- b. while on an ocean or air conveyance.

5. **Jewelry, Stones And Metals** - "We" do not cover jewelry, precious or semi-precious stones, gold, silver, platinum, or other precious metals or alloys.

6. **Lease Agreement** - "We" do not cover property for which "you" are contractually liable under a lease agreement with any transportation carrier.

7. **Live Animals** - "We" do not cover animals including cattle or poultry unless death is caused or made necessary by a "specified peril".

8. **Mail** - "We" do not cover mail shipments in the custody of the U.S. Postal Service.

9. **Money And Securities** - "We" do not cover accounts, bills, currency, food stamps, or other evidences of debt, lottery tickets not held for sale, money, notes or securities.

10. **Samples** - "We" do not cover samples while in the custody of a sales representative.

11. **Storage** - "We" do not cover property held in storage.

#### COVERAGE EXTENSIONS

**Provisions That Apply To Coverage Extensions** - The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

## 1. Debris Removal

- a. **Coverage** - "We" pay the cost to remove the debris of covered property that is caused by a covered peril.
- b. **We Do Not Cover** - This coverage does not include costs to:
  - (1) extract "pollutants" from land or water; or
  - (2) remove, restore, or replace polluted land or water.
- c. **Limit** - "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
- d. **Additional Limit** - "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damage property.
- e. **You Must Report Your Expenses** - "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

## 2. Emergency Removal

- a. **Coverage** - "We" pay for any direct physical loss to covered property while it is being moved or being stored to prevent a loss caused by a covered peril.
- b. **Time Limitation** - This coverage applies for up to 365 days after the property is

first moved. Also, this coverage does not extend past the date on which this policy expires.

## SUPPLEMENTAL COVERAGES

### Provisions That Apply To Supplemental Coverages

- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following supplemental coverages are not subject to and not considered in applying coinsurance conditions.

## 1. Pollutant Cleanup And Removal

- a. **Coverage** - "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** - The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered perils occurs.
- c. **We Do Not Cover** - "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.

- d. **Limit** - The most "we" pay for each location is \$10,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

## 2. Property You Have Sold

- a. **Coverage** - "We" pay for direct physical loss caused by a covered peril to covered property that "you" have sold and are shipping at the owner's risk.
- b. **Coverage Limitation** - "We" only cover property that "you" have sold when the shipment has been rejected by the owner because:
- (1) the property is damaged; and
  - (2) the owner of the property has refused to pay "you".

## 3. Rejected Shipments

- a. **Coverage** - "We" pay for direct physical loss caused by a covered peril to outgoing shipments of covered property that have been rejected by the consignee, including shipments that are not deliverable.
- b. **Coverage Limitation** - "We" only cover rejected shipments while the property is:
- (1) in due course of "transit" back to "you"; or
  - (2) awaiting return shipment to "you".
- c. **Time Limitation** - This supplemental coverage will end ten days after delivery has been attempted or made to the consignee unless the covered property is in due course of "transit" back to "you".

## PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

## PERILS EXCLUDED

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.
  - a. **Civil Authority** - "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

- b. **Nuclear Hazard** - "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

- c. **War And Military Action** - "We" do not pay for loss caused by:

- (1) war, including undeclared war or civil war; or
- (2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- (3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

- a. **Contamination Or Deterioration** - "We" do not pay for loss caused by contamination or deterioration including corrosion; decay; fungus; mildew; mold; rot; rust; or any quality, fault, or weakness in the covered property that causes it to damage or destroy itself.

But if contamination or deterioration results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

- b. **Criminal, Fraudulent, Dishonest, Or Illegal Acts** - "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

- (1) "you";

- (2) others who have an interest in the property;
- (3) others to whom "you" entrust the property;
- (4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
- (5) the employees or agents of (1), (2), (3), or (4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- c. **Loss Of Use** - "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.
- d. **Missing Property** - "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.  
This exclusion does not apply to covered property in the custody of a carrier for hire.
- e. **Pollutants** - "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":
  - (1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
  - (2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril".

- f. **Spoilage** - "We" do not pay for loss to "perishable stock" caused by "spoilage".
- g. **Temperature/Humidity** - "We" do not pay for loss caused by dryness, dampness, humidity, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a "specified peril", "we" do

cover the loss or damage caused by that "specified peril".

- h. **Voluntary Parting** - "We" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

"We" do cover loss to covered property caused by false bills of lading or shipping receipts that "you" accept in good faith.

- i. **Wear And Tear** - "We" do not pay for loss caused by wear and tear, marring, or scratching.

But if wear and tear, marring, or scratching results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

## WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** - In case of a loss, "you" must:
  - a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
  - b. give notice to the police when the act that causes the loss is a crime.
2. **You Must Protect Property** - "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
  - a. **Payment Of Reasonable Costs** - "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".
  - b. **We Do Not Pay** - "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.
3. **Proof Of Loss** - "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
  - a. the time, place, and circumstances of the loss;
  - b. other policies of insurance that may cover the loss;
  - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;



- d. changes in title of the covered property during the policy period; and
  - e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.
4. **Examination** - "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
  5. **Records** - "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
  6. **Damaged Property** - "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
  7. **Volunteer Payments** - "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
  8. **Abandonment** - "You" may not abandon the property to "us" without "our" written consent.
  9. **Cooperation** - "You" must cooperate with "us" in performing all acts required by this policy.

#### VALUATION

1. **Value Of Covered Property** - The value of covered property is based on the following:
  - a. **Invoice** - The value of covered property is based on the invoice amount plus accrued costs, pre-paid charges, and charges since shipment.
  - b. **Actual Cash Value** - In the absence of an invoice the value of covered property will be based on the actual cash value at the time of loss (with a deduction for depreciation).
2. **Pair Or Set** - The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.
3. **Loss To Parts** - The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

#### HOW MUCH WE PAY

1. **Insurable Interest** - "We" do not cover more than "your" insurable interest in any property.
2. **Deductible** - "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.
3. **Loss Settlement Terms** - Subject to paragraphs 1., 2., 4., and 5. under How Much We Pay:
  - a. **We Pay The Lesser Of** - "We" pay the lesser of:
    - (1) the amount determined under Valuation;
    - (2) the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
    - (3) the "limit" that applies to the mode of transportation or "terminal" location indicated on the "schedule of coverages".
  - b. **Catastrophe Limit** - In no event will "we" pay more than the catastrophe "limit" indicated on the "schedule of coverages" regardless if a loss involves:
    - (1) one or more modes of transportation;
    - (2) one or more "terminal" locations; or
    - (3) any combination of modes of transportation or "terminal" locations.
  - c. **When A Railroad Is Transporting A Trailer** - When a railroad is transporting a truck, trailer, or semitrailer, the "limit" for "railroad car" applies. In no event will "we" combine the "limit" for "railroad car" with the "limit" for:
    - (1) "owned vehicle"; or
    - (2) "carrier for hire".
  - d. **When A Trailer Is At A Terminal** - When a truck, trailer, or semitrailer is situated within a "terminal" building or within 100 feet of a "terminal" building, the "limit" for the "terminal" location applies. In no event will "we" combine the "limit" for a "terminal" location with the "limit" for:
    - (1) "owned vehicle"; or
    - (2) "carrier for hire".
4. **Insurance Under More Than One Coverage** - If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.

**5. Insurance Under More Than One Policy**

- a. **Proportional Share** - "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
- b. **Excess Amount** - If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

**LOSS PAYMENT****1. Loss Payment Options**

- a. **Our Options** - In the event of loss covered by this coverage form, "we" have the following options:
  - (1) pay the value of the lost or damaged property;
  - (2) pay the cost of repairing or replacing the lost or damaged property;
  - (3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
  - (4) take all or any part of the property at the agreed or appraised value.
- b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** - "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

**2. Your Losses**

- a. **Adjustment And Payment Of Loss** - "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.
- b. **Conditions For Payment Of Loss** - An insured loss will be payable 30 days after:
  - (1) a satisfactory proof of loss is received; and
  - (2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

**3. Property Of Others**

- a. **Adjustment And Payment Of Loss To Property Of Others** - Losses to property of others may be adjusted with and paid to:
  - (1) "you" on behalf of the owner; or
  - (2) the owner.
- b. **We Do Not Have To Pay You If We Pay The Owner** - If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

**OTHER CONDITIONS**

1. **Appraisal** - If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

2. **Benefit To Others** - Insurance under this coverage shall not directly or indirectly benefit anyone having custody of "your" property.
3. **Conformity With Statute** - When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.
4. **Estates** - This provision applies only if the insured is an individual.
  - a. **Your Death** - On "your" death, "we" cover the following as an insured:

- (1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
  - (2) "your" legal representative.

This person or organization is an insured only with respect to property covered by this coverage.
- b. Policy Period Is Not Extended** - This coverage does not extend past the policy period indicated on the declarations.
- 5. Misrepresentation, Concealment, Or Fraud** - This coverage is void as to "you" and any other insured if, before or after a loss:
  - a.** "you" or any other insured have willfully concealed or misrepresented:
    - (1) a material fact or circumstance that relates to this insurance or the subject thereof; or
    - (2) "your" interest herein; or
  - b.** there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.
- 6. Policy Period** - "We" pay for a covered loss that occurs during the policy period.
- 7. Recoveries** - If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
  - a.** "you" must notify "us" promptly if "you" recover property or receive payment;
  - b.** "we" must notify "you" promptly if "we" recover property or receive payment;
  - c.** any recovery expenses incurred by either are reimbursed first;
  - d.** "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid, or any lesser amount to which "we" agree; and
- e.** if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be pro rated between "you" and "us" based on "our" respective interest in the loss.
- 8. Restoration Of Limits** - A loss "we" pay under this coverage does not reduce the applicable "limits".
- 9. Subrogation** - If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.
- 10. Suit Against Us** - No one may bring a legal action against "us" under this coverage unless:
  - a.** all of the "terms" of this coverage have been complied with; and
  - b.** the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.
- 11. Territorial Limits** - "We" cover property while:
  - a.** at a location within; or
  - b.** in "transit" between or within the United States of America, its territories and possessions, Canada, and Puerto Rico.
- 12. Carriers For Hire** - "You" may accept bills of lading or shipping receipts issued by carriers for hire that limit their liability to less than the actual cash value of the covered property.



This endorsement changes the  
Transportation Coverage or the Trip Transit Coverage  
**PLEASE READ THIS CAREFULLY**

## REFRIGERATION BREAKDOWN SCHEDULE

(The entries required to complete this endorsement  
will be shown below or on the "schedule of coverages".)

### REFRIGERATION BREAKDOWN SCHEDULE

	"Limits"
<b>Any One Conveyance Limit -</b>	\$ 50,000
<b>Catastrophe Limit -</b>	\$ 100,000
<b>Refrigeration Deductible -</b>	\$ 1,000

### SUPPLEMENTAL COVERAGES

#### Refrigeration Breakdown -

1. **Coverage** - "We" cover direct physical loss to covered property consisting of "perishable stock" caused by "spoilage".
2. **Coverage Limitations** -
  - a. "We" only cover loss to "perishable stock" caused by "spoilage" when the refrigeration or heating unit of an "owned vehicle", "aircraft", or "railroad car" transporting covered property has a sudden or accidental breakdown or malfunction.
  - b. "We" only cover loss to "perishable stock" caused by "spoilage" when the covered property is in "transit" via a mode of transportation that is indicated on the "schedule of coverage".
3. **We Do Not Cover** - The following exclusion only applies to covered property on "owned vehicles"; "we" do not pay for loss caused by breakdown or malfunction:
  - a. that results from the failure to maintain adequate fuel levels for the refrigeration or heating unit; or
  - b. of a refrigeration or heating unit if "you" or a service representative do not inspect a vehicle's refrigeration or heating unit at least once each month.
4. **Coverage Condition** - The following coverage condition only applies to covered property on "owned vehicles"; "you" must maintain a record of each inspection of a refrigeration or heating unit and retain the records of the inspection for at least one year. "You" must provide "us" with all records that relate to a loss and permit copies and abstracts to be made from them.
5. **Limit** - The most "we" pay for loss to "perishable stock" on any one "owned vehicle", "aircraft", or "railroad car" is the Any One Conveyance Limit indicated on the Refrigeration Breakdown Schedule. The most "we" pay for loss to "perishable stock" in any one occurrence is the Catastrophe Limit indicated on the Refrigeration Breakdown Schedule.
6. **Refrigeration Deductible** - "We" pay only that part of "your" loss over the deductible amount indicated on the Refrigeration Breakdown Schedule in any one occurrence.

### PERILS EXCLUDED

The exclusion for Spoilage still applies except to the extent that coverage is provided under this endorsement.



POLICY NUMBER: TRA 5284060

POLICY PERIOD: FROM 01/01/2012 TO 01/01/2013

## COMPUTER COVERAGE SCHEDULE OF COVERAGES

(The information required below may be indicated on  
a separate schedule or supplemental declarations.)

### DESCRIBED PREMISES

**Loc.  
No.**

#### LOCATIONS

001                      31632 N ELLIS DR UNIT 111/112  
                             VOLO, IL 60073

Check if applicable:

{ } Attach Additional Locations Schedule to schedule more locations

### LOCATION LIMITS

#### "Hardware"

Loc No.	Loc No.	Loc No.	Loc No.
001	\$	50,000	

#### "Programs and Applications" and "Media"

Loc No.	Loc No.	Loc No.	Loc No.
N/A			

#### Income Coverage

Loc No.	Loc No.	Loc No.	Loc No.
N/A			

#### Income Coverage Options (check one)

- |                                |     |
|--------------------------------|-----|
| - Earnings and Extra Expense   | { } |
| - Extra Expense Only           | { } |
| - Income Coverage Not Provided | {X} |

#### COVERAGE EXTENSIONS

Additional Debris Removal Expenses	\$	5,000
Emergency Removal	365	days
Emergency Removal Expenses	\$	1,000
Electrical and Power Supply Disturbance	Coverage Provided	
- 500 Feet Limitation (check one)		



{X} Not Waived

{ } Waived

Fraud and Deceit	\$ 1,000
Mechanical Breakdown Coverage	Coverage Provided

**SUPPLEMENTAL COVERAGES**

Acquired Locations	\$ 250,000
--------------------	------------

**Earthquake Coverage (check one)**

- |  |     |
|--|-----|
| - Coverage Provided  | {X} |
| - Coverage Not Provided                                      | { } |
| - Refer To Earthquake, Flood and<br>Sewer Backup Endorsement | { } |

**Flood Coverage (check one)**

- |  |     |
|--|-----|
| - Coverage Provided  | {X} |
| - Coverage Not Provided                                      | { } |
| - Refer To Earthquake, Flood and<br>Sewer Backup Endorsement | { } |

Newly Purchased or Leased Hardware	\$ 250,000
------------------------------------	------------

Off-Site Computers	\$ 2,500
--------------------	----------

Pollutant Cleanup and Removal	\$ 10,000
-------------------------------	-----------

Property In Transit	\$ 5,000
---------------------	----------

Proprietary Programs and Data Records	\$ 5,000
---------------------------------------	----------

Rewards	\$ 1,000
---------	----------

**Sewer Backup (check one)**

- |  |     |
|--|-----|
| - Coverage Provided  | {X} |
| - Coverage Not Provided                                      | { } |
| - Refer To Earthquake, Flood and<br>Sewer Backup Endorsement | { } |

Software Storage	\$ 25,000
------------------	-----------

**Virus and Hacking Coverage**

- |                                       |           |
|---------------------------------------|-----------|
| - Limit Any One Occurrence            | \$ 5,000  |
| - Limit Each Separate 12 month Period | \$ 10,000 |

**INCOME COVERAGE EXTENSIONS**

Interruption by Civil Authority	N/A
---------------------------------	-----

Period of Loss Extension	N/A
--------------------------	-----

**SUPPLEMENTAL INCOME COVERAGES**

Acquired Locations	\$ N/A
--------------------	--------

**Earthquake Coverage (check one)**

- |                         |     |
|-------------------------|-----|
| - Coverage Provided     | { } |
| - Coverage Not Provided | { } |



**SUPPLEMENTAL INCOME COVERAGES (cont.)**

- Refer To Earthquake, Flood and

Sewer Backup Endorsement { }

**Flood Coverage (check one)**

- Coverage Provided { }
- Coverage Not Provided { }
- Refer To Earthquake, Flood and
- Sewer Backup Endorsement { }

**Off Premises Utility Service Interruption**

- Limit \$ N/A
- Overhead Transmission Lines Excluded (check if applicable) { }
- Waiting Period

Property In Transit \$ N/A

**Sewer Backup (check one)**

- Coverage Provided { }
- Coverage Not Provided { }
- Refer To Earthquake, Flood and
- Sewer Backup Endorsement { }

**Virus and Hacking Coverage**

- Limit Any One Occurrence \$ N/A
- Limit Each Separate 12 month Period \$ N/A
- Waiting Period

**DEDUCTIBLE****Deductible Amount**

For all covered perils unless a

different deductible is indicated below \$ 1,000

Earthquake and Volcanic Eruption \$ 1,000

"Flood" \$ 1,000

"Mechanical Breakdown", "Electrical  
Disturbance", and "Power Supply Disturbance" \$ 1,000

**COINSURANCE**

"Hardware", "Media", and "Programs and Applications"

{ } Not Applicable

{X} 100%{ } 90%{ } 80%{X} % { }

**Income Coverage**

{X} Not Applicable

{ } 100%{ } 90%{ } 80%{ } % { }

**COVERAGE OPTION**

Valuation (check one)





☐ Actual Cash Value Applies

☒ Replacement Cost

Income Coverage Waiting Period (check one)

☒ Not Applicable

☐ Waiting Period \_\_\_\_\_ hours

**OPTIONAL COVERAGES AND ENDORSEMENTS**

IM7206 1002\*, IM7201 1002\*, CL0700 1006\*, IM2027 0809\*, IM7234 0501\*.



## COMPUTER COVERAGE

### AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Computer Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

### DEFINITIONS

1. The words "you" and "your" mean the persons or organizations named as the insured on the "schedule of coverages".
2. The words "we", "us", and "our" mean the company providing this coverage.
3. "Business" means the usual business operations occurring at a premises described on the "schedule of coverages".
4. "Computer hacking" means an unauthorized intrusion:
  - a. by an individual or group of individuals, whether employed by "you" or not, into "hardware", "software", or a computer network; and
  - b. that results in but is not limited to:
    - (1) deletion, destruction, generation, or modification of "software";
    - (2) alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "software";
    - (3) observation, scanning, or copying of "data records", "programs and applications", and "proprietary programs";
    - (4) damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware" or "media" used with "hardware"; or
    - (5) denial of access to or denial of services from "your" "hardware" or "your" computer network.
5. "Computer virus" means the introduction of any malicious, self-replicating electronic data processing code or other code:
  - a. into "hardware" or "software"; and
  - b. that is intended to result in, but is not limited to:
    - (1) deletion, destruction, generation, or modification of "software";
    - (2) alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "software";
    - (3) damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware" or "media" used with "hardware"; or
    - (4) denial of access to or denial of services from "your" "hardware" or "your" computer network.
6. "Data records" means files, documents, and information in an electronic format and that are stored on "media".
7. "Electrical disturbance" means electrical or magnetic damage, disturbance of electronic recordings, or erasure of electronic recordings.
8. "Flood" means flood, surface water, waves, tidal water, or the overflow of a body of water, all whether driven by wind or not. This includes spray that results from these whether driven by wind or not.
9. "Hardware" means a network of electronic machine components (microprocessors) capable of accepting instructions and information, processing the information according to the instructions, and producing desired results.
  - a. **Hardware Includes** - "Hardware" includes but is not limited to:
    - (1) mainframe and mid-range computers and network servers;
    - (2) personal computers and workstations;
    - (3) laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to, multimedia projectors; and
    - (4) peripheral data processing equipment, including but not limited to, printers, keyboards, monitors, and modems.

- b. Hardware Does Not Include** - "Hardware" does not include:
- (1) "software"; and
  - (2) "off-site server" and "on-site server".
10. "Limit" means the amount of coverage that applies.
11. "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation, or blowout.
12. "Media" means processing, recording, or storage media used with "hardware". This includes but is not limited to films, tapes, cards, discs, drums, cartridges, or cells.
13. "Off-site server" means a server for "your" Web site:
- a. that is not at a premises described on the "schedule of coverages"; and
  - b. that is being maintained and/or operated by an independent contractor acting as "your" Web host or "your" Internet service provider that is acting as "your" Web host.
14. "On-site server" means a server for "your" Web site:
- a. that is at a premises occupied by "you" and described on the "schedule of coverages"; and
  - b. that is being maintained and/or operated by "you" or an independent contractor acting as "your" Web site consultant.
15. "Pollutant" means:
- a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including but not limited to acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
  - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
16. "Power supply disturbance" means interruption of power supply, power surge, blackout, or brownout.
17. "Programs and applications" means operating programs and applications that "you" purchase and that are:
- a. stored on "media"; or
  - b. pre-installed and stored in "hardware".
18. "Proprietary programs" means proprietary applications or programs that are developed in-house or that "you" had developed specifically for "you" and that are:
- a. stored on "media"; or
  - b. installed and stored in "hardware".
19. "Restoration period" means:
- a. the time it should reasonably take to resume "your" "business" to a similar level of service starting from the date of a physical loss of or damage to covered property at a premises described on the "schedule of coverages" that is caused by a covered peril and ending on the date:
    - (1) the property should be rebuilt, repaired, or replaced; or
    - (2) "business" is resumed at a new permanent location.

This is not limited by the expiration date of the policy.
  - b. The "restoration period" also means the increased time required to comply with the enforcement of any ordinance, law, or decree that:
    - (1) regulates the construction, use, or repair of any property; or
    - (2) requires the demolition of any property, in part or in whole, not damaged by a covered peril.

The ordinance, law, or decree must be in force at the time of loss.

"Restoration period" does not mean the increased time required to comply with the enforcement of any ordinance, law, or decree that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to or assess the effects of "pollutants".
  - c. Only as regards coverage described under Off Premises Utility Service Interruption; Interruption of Web Site (if added to this coverage part by endorsement); and Property In Transit in the Supplemental Income Coverages, "restoration period" also means the time it should reasonably take to resume "your" "business" starting from the date of direct physical loss of or damage caused by a covered peril to:
    - (1) property not located at a premises described on the "schedule of coverages" and that is owned by a utility, a landlord, or another utility supplier;
    - (2) "your" Web site operation that is being maintained or operated by and that is located at the premises of an independent contractor or Internet service provider; and

**(3) property in transit;**

and ending on the date the property should be rebuilt, repaired, or replaced. This is not limited by the expiration date of the policy.

**20. "Schedule of coverages" means:**

- a. all pages labeled schedule of coverages or schedules which pertain to this coverage; and
- b. declarations or supplemental declarations which pertain to this coverage.

**21. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation.**

Sinkhole collapse does not include the value of the land or the cost of filling sinkholes.

**22. "Software" means "media", "data records", "programs and applications", and "proprietary programs".**

Software does not mean "Web site software".

**23. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.**

Falling objects does not include loss to:

- a. personal property in the open; or
- b. to the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object.

Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.

**24. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.****25. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.**

Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.

**26. "Web site server" means "on-site server" and "off-site server".****27. "Web site software" means the following software that are used in "your" "Web site server":**

- a. "media";
- b. "data records";
- c. programs and applications which means operating programs and applications that "you" purchase and that are stored on "media" or pre-installed and stored in "Web site servers"; and
- d. proprietary programs which means proprietary applications or programs that are developed in-house or that "you" had developed specifically for "you" and that are stored on "media" or installed and stored in "Web site servers".

**PROPERTY COVERED**

"We" cover the following property unless the property is excluded or subject to limitations.

**1. Hardware**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to "hardware" and similar property of others that is in "your" care, custody, or control.
- b. **Coverage Limitations** - "We" only cover "hardware" and similar property of others:
  - (1) when a "limit" for "hardware" is indicated on the "schedule of coverages"; and
  - (2) while at a premises described on the "schedule of coverages".

**2. Software**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to:
  - (1) "media";
  - (2) "programs and applications"; and
 similar property of others that is in "your" care, custody, or control.
- b. **Coverage Limitations** - "We" only cover "media", "programs and applications", and similar property of others:
  - (1) when a "limit" for "media" and "programs and applications" is indicated on the "schedule of coverages"; and
  - (2) while at a premises described on the "schedule of coverages".
- c. **We Do Not Cover** - Except as provided under Supplemental Coverages, "we" do not cover:
  - (1) "data records"; and
  - (2) "proprietary programs".

**INCOME COVERAGE**

"We" provide the following coverage unless the coverage is excluded or subject to limitations.

1. **Coverage Options** - One of the following described coverage options applies when that option is indicated on the "schedule of coverages":
  - a. Earnings and Extra Expense; or
  - b. Extra Expense only.
2. **Coverage**
  - a. **Covered Property** - "We" provide the coverages described below during the "restoration period" when "your" "business" is necessarily wholly or partially interrupted by direct physical loss of or damage to covered property at a premises described on the "schedule of coverages" as a result of a covered peril.
  - b. **Described Premises and Air Conditioning System** - "We" provide the coverages described below under 3. and 4. during the "restoration period" when "your" "business" is necessarily wholly or partially interrupted as a result of direct physical loss of or damage to:
    - (1) a premises described on the "schedule of coverages" that prevents "you" from using covered property; or
    - (2) the air conditioning or electrical systems which are necessary for the operation of covered property and results in a reduction or suspension of "your" "business".
  - c. **If You Lease Your Premises** - If "you" lease, rent, or do not own the premises "you" occupy, for the purposes of determining an Income Coverage loss, "your" location is the space that "you" lease, rent, or occupy including, but not limited to, all passageways to "your" location within the building.
3. **Earnings** - "We" cover "your" actual loss of net income (net profit or loss before income taxes) that would have been earned or incurred and continuing operating expenses normally incurred by "your" "business", including but not limited to payroll expense.
4. **Extra Expense** - "We" cover only the extra expenses that are necessary during the "restoration period" that "you" would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a covered peril.
  - a. **Expenses To Reduce Interruption** - "We" cover any extra expense to avoid or reduce the interruption of "your" data

processing operations and continue operating at a premises described on the "schedule of coverages", replacement location, or a temporary location. This includes expenses to relocate and costs to outfit and operate a replacement or temporary location.

"We" will also cover any extra expense to reduce the interruption of "business" if it is not possible for "you" to continue operating during the "restoration period".

- b. **Expenses To Repair/Restore Property and Information** - To the extent that they reduce a loss otherwise payable under this coverage, "we" will cover any extra expenses to:
  - (1) repair, replace, or restore any property; and
  - (2) research, replace, or restore information on damaged documents, manuscripts, or records that:
    - (a) are inscribed, printed, or written; or
    - (b) exist on electronic or magnetic media.

**PROPERTY NOT COVERED**

1. **Accounts, Bills, or Documents** - "We" do not cover accounts, bills, evidences of debt, records, abstracts, deeds, manuscripts, program documentation, or other documents except those that are in "software" form and then only in that form.
2. **Checked Luggage** - "We" do not cover loss resulting from theft or disappearance of a laptop, palmtop, notebook PC, or any portable computer while in transit as checked luggage.
3. **Contraband** - "We" do not cover contraband or property in the course of illegal transportation or trade.
4. **Loaned, Leased, or Rented To Others** - "We" do not cover property that "you" loan, lease, or rent to others.
5. **Money and Securities** - "We" do not cover currency, food stamps, lottery tickets not held for sale, money, notes, or securities.
6. **Stock in Trade** - "We" do not cover property that is "your" stock in trade.
7. **Web Site Servers** - "We" do not cover "Web site servers" including "Web site software".

**COVERAGE EXTENSIONS**

**Provisions That Apply To Coverage Extensions** - The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

The following coverage extensions are not subject to and not considered in applying coinsurance conditions.

### 1. Debris Removal

- a. **Coverage** - "We" pay the cost to remove debris of covered property that is caused by a covered peril.
- b. **We Do Not Cover** - This coverage does not include costs to:
  - (1) extract "pollutants" from land or water; or
  - (2) remove, restore, or replace polluted land or water.
- c. **Limit** - "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
- d. **Additional Limit** - "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
- e. **You Must Report Your Expenses** - "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

### 2. Electrical and Power Supply Disturbance

- a. **Coverage** - "We" cover direct physical loss to covered property caused by:
  - (1) "electrical disturbance"; or
  - (2) "power supply disturbance".

- b. **Coverage Limitation** - "We" only cover loss caused by "electrical disturbance" and "power supply disturbance" if the cause of such disturbance took place within 500 feet of the premises where the loss occurred.

However, if the "schedule of coverages" indicates that there is no limitation, then the 500 feet limitation described above does not apply to this Coverage Extension.

### 3. Emergency Removal

- a. **Coverage** - "We" pay for any direct physical loss to covered property while it is being moved or being stored to prevent a loss caused by a covered peril.
- b. **Time Limitation** - This coverage applies for up to 365 days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.

### 4. Emergency Removal Expenses

- a. **Coverage** - "We" pay for "your" expenses to move or store covered property to prevent a loss caused by a covered peril.
- b. **Time Limitation** - This coverage applies for up to 365 days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.
- c. **Limit** - The most "we" pay in any one occurrence for expenses to move or store covered property to prevent a loss is \$1,000.
- d. **This Is A Separate Limit** - The "limit" for Emergency Removal Expenses is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

### 5. Fraud and Deceit

- a. **Coverage** - "We" cover theft of covered property when "you", "your" agents, customers, or consignees are fraudulently induced to part with the covered property:
  - (1) to persons who falsely represent themselves as the proper persons to receive the property; or
  - (2) by the acceptance of fraudulent bills of lading or shipping receipts.
- b. **Limit** - The most "we" pay in any one occurrence for theft of covered property under this Coverage Extension is \$1,000.

- 6. **Mechanical Breakdown Coverage** - "We" pay for loss to covered property caused by "mechanical breakdown".



**SUPPLEMENTAL COVERAGES****Provisions That Apply To Supplemental Coverages**

- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

The following coverage extensions are not subject to and not considered in applying coinsurance conditions.

**1. Acquired Locations**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to covered property at locations that "you" acquire during the policy period.
- b. **Limit** - "We" pay up to \$250,000 for covered property at locations that "you" acquire.
- c. **Time Limitation** - This coverage applies for up to 60 days from the date "you" acquire the location or until "you" report the acquired location to "us", whichever occurs first.

However, this coverage does not go beyond the end of the policy period.

- d. **Additional Premium** - "You" must pay any additional premium due from the date "you" acquire the location.

2. **Earthquake Coverage** - If coverage is indicated on the "schedule of coverages", "we" cover direct physical loss caused by earthquake and volcanic eruption to covered property while at a premises described on the "schedule of coverages".

3. **Flood Coverage** - If coverage is indicated on the "schedule of coverages", "we" cover direct physical loss caused by "flood" to covered property while at a premises described on the "schedule of coverages".

**4. Newly Purchased or Leased Hardware**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to additional "hardware" including pre-installed "programs and applications" that "you" purchase or lease during the policy period.
- b. **Limit** - The most that "we" pay for any loss under this additional coverage is the least of:
  - (1) the actual cash value of the covered property; or
  - (2) \$250,000.
- c. **Time Limitation** - "We" extend coverage to the additional "hardware" that "you" purchase or lease for up to 60 days.

This supplemental coverage will end when any of the following first occur:

- (1) this policy expires;
- (2) 60 days after "you" obtain the additional "hardware"; or
- (3) "you" report the additional "hardware" to "us".

- d. **Additional Premium** - "You" must pay any additional premium due from the date "you" purchase or lease the additional "hardware".

**5. Off-Site Computers**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to covered property in the custody of "you", "your" officers, "your" partners, or "your" employees, while:

- (1) at "your" residence or the residence of "your" officers, partners, or employees;
- (2) temporarily at a premises that is not described on the "schedule of coverages"; or
- (3) in transit between a:
  - (a) residence or temporary premises; and
  - (b) premises described on the "schedule of coverages".

- b. **Limit** - The most "we" pay in any one occurrence for loss to off-site covered property is \$2,500.



**6. Pollutant Cleanup and Removal**

- a. **Coverage** - "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** - The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.
- c. **We Do Not Cover** - "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".  
However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.
- d. **Limit** - The most "we" pay for each location is \$10,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

**7. Property In Transit**

- a. **Coverage** - "We" cover direct physical loss to covered property caused by a covered peril while in transit.
- b. **Limit** - The most "we" pay in any one occurrence for loss to covered property in transit is \$5,000.

**8. Proprietary Programs and Data Records**

- a. **Coverage** - "We" cover the cost of research or other expenses necessary to reproduce, replace, or restore lost files or codes on lost or damaged "data records" and "proprietary programs" and similar property of others that is in "your" care, custody, or control.
- b. **Coverage Limitations** - "We" only cover "data records", "proprietary programs", and similar property of others:
  - (1) while at a premises described on the "schedule of coverages"; and
  - (2) if the cost of research or other expenses necessary to reproduce, replace, or restore lost files or codes are incurred due to a direct physical loss caused by a covered peril to "data records" and "proprietary programs".
- c. **Limit** - The most "we" pay in any one occurrence for "data records" and "proprietary programs" is \$5,000.

**9. Rewards**

- a. **Coverage** - "We" pay for reward information that leads to a conviction for:

- (1) arson,
- (2) theft, or
- (3) vandalism including, but not limited to, "computer hacking" and "computer virus".

The conviction must involve a covered loss caused by arson, theft, or vandalism.

- b. **Limit** - The most "we" pay in any one occurrence for reward information is \$1,000.
- c. **Limit Is Not Increased By The Number of Persons Providing Information** - The amount "we" pay is not increased by the number of persons involved in providing the information.

**10. Sewer Backup and Water Below the Surface**

- If coverage is indicated on the "schedule of coverages", "we" cover direct physical loss caused by:

- a. water that backs up through a sewer or drain; or
- b. water below the surface of the ground, including but not limited to water that exerts pressure on or flows, seeps, or leaks through or into a described premises.

**11. Software Storage**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to duplicate and back-up "software" stored at a "software" storage location.
- b. **Coverage Condition** - Each "software" storage location must be in a separate building which is at least 100 feet away from a premises described on the "schedule of coverages".
- c. **Limit** - The most "we" pay in any one occurrence for loss to duplicate and back-up "software" is \$25,000.

**12. Virus and Hacking Coverage**

- a. **Coverage** - "We" cover direct physical loss to covered "hardware" and "software" caused by a "computer virus" or by "computer hacking".
- b. **We Do Not Cover** - "We" do not cover:
  - (1) loss of exclusive use of any "data records" or "proprietary programs" that have been copied, scanned, or altered;
  - (2) loss of or reduction in economic or market value of any "data records" or "proprietary programs" that have been copied, scanned, or altered;

- (3) theft from "your" "data records" or "proprietary programs" of confidential information through the observation of the "data records" or "proprietary programs" by accessing covered "hardware" or "your" computer network without any alteration or other physical loss or damage to the records or programs. Confidential information includes, but is not limited to, customer information, processing methods, or trade secrets; and
  - (4) except as provided under the Supplemental Income Coverages, denial of access to or services from "your" "hardware" or "your" computer network.
- c. **Limit** - The most "we" pay in any one occurrence under this Supplemental Coverage is \$5,000.

The most "we" pay for all covered losses under this Supplemental Coverage during each separate 12-month period of this policy is \$10,000.

#### INCOME COVERAGE EXTENSIONS

**Provisions That Apply To Income Coverage Extensions** - The following Income Coverage Extensions indicate an applicable "limit" or limitation. This "limit" or limitation may also be shown on the "schedule of coverages".

If a different "limit" or limitation is indicated on the "schedule of coverages", that "limit" or limitation will apply instead of the "limit" or limitation shown below.

The following Income Coverage Extensions are part of and not in addition to the applicable Income Coverage "limit".

##### 1. Interruption by Civil Authority

- a. **Coverage** - "We" extend "your" coverage for earnings and extra expense to include loss sustained while access to premises described on the "schedule of coverages" is specifically denied by an order of civil authority.
- b. **Coverage Limitation** - The order of civil authority must be a result of direct physical loss of or damage to property, other than at a premises described on the "schedule of coverages" and must be caused by a covered peril.
- c. **Time Limitation** - Unless otherwise indicated on the "schedule of coverages", this coverage extension is limited to 30 consecutive days from the date of the order.

##### 2. Period of Loss Extension After Business Resumes

- a. **Coverage** - "We" extend "your" coverage for earnings to cover loss from the date the covered property that incurred the

loss is rebuilt, repaired, or replaced and "your" data processing operations are resumed until:

- (1) the end of 30 consecutive days (unless otherwise indicated on the "schedule of coverages"); or
- (2) the date "you" could reasonably resume "your" "business" to the conditions that would generate the earnings amount that would have existed had no loss or damage occurred,

whichever is earlier.

- b. **Coverage Limitation** - Loss of earnings must be caused by direct physical loss of or damage to property at a premises described on the "schedule of coverages" as a result of a covered peril.

#### SUPPLEMENTAL INCOME COVERAGES

**Provisions That Apply To Supplemental Income Coverages** - Unless otherwise indicated, the following Supplemental Income Coverages apply separately to each premises described on the "schedule of coverages".

The following Supplemental Income Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

Unless otherwise indicated, a "limit" for a Supplemental Income Coverage provided below is separate from, and not part of, the applicable Income Coverage "limit". The "limit" available for coverage described under a Supplemental Income Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Income Coverage and the Income Coverage "limit".

The "limit" provided under a Supplemental Income Coverage cannot be combined or added to the "limit" for any other Supplemental Income Coverage or Income Coverage Extension.

##### 1. Acquired Locations

- a. **Coverage** - "We" extend "your" coverage for earnings and extra expense to include direct physical loss to covered property while at locations that "you" acquire during the policy period.
- b. **Time Limitation** - This coverage applies for up to 60 days from the date "you" acquire the location or until "you" report the acquired location to "us", whichever occurs first.

However, this coverage does not go beyond the end of the policy period.

c. **Additional Premium** - "You" must pay any additional premium due from the date "you" acquire the location.

d. **Limit** - The most "we" pay in any one occurrence for loss of earnings and incurred extra expense at each newly acquired location is \$25,000.

2. **Earthquake Coverage** - If coverage is indicated on the "schedule of coverages", "we" cover direct physical loss caused by earthquake and volcanic eruption to covered property while at a premises described on the "schedule of coverages".

3. **Flood Coverage** - If coverage is indicated on the "schedule of coverages", "we" cover direct physical loss caused by "flood" to covered property while at a premises described on the "schedule of coverages".

4. **Off Premises Utility Service Interruption**

a. **Coverage** - Coverage for earnings and/or extra expense is extended to loss of earnings or extra expenses that "you" incur during the "restoration period" when "your" data processing operations are interrupted due to the interruption of an off premises utility services when the interruption is a result of direct physical loss or damage by a covered peril to property that is not located at a premises described on the "schedule of coverages" and that is owned by a utility, a landlord, or another supplier who provides "you" with:

- (1) power, gas;
- (2) telecommunications, including but not limited to Internet access; or
- (3) water.

b. **Overhead Transmission Lines Exclusion** - If the "schedule of coverages" indicates that overhead transmission lines are excluded, coverage under this extension does not include loss to overhead transmission lines that deliver utility service to "you". Overhead transmission lines include, but are not limited to:

- (1) overhead transmission and distribution lines;
- (2) overhead transformers and similar equipment; and
- (3) supporting poles and towers.

c. **Waiting Period Limitation** - Unless otherwise indicated on the "schedule of coverages", "we" do not pay for "your" loss of earnings under this Supplemental Income Coverage until after the first 24

hours following the direct physical loss of or damage to the property owned by a utility, a landlord, or another supplier. This waiting period does not apply to extra expenses that "you" incur.

d. **Limit** - The most "we" pay in any one occurrence under this Supplemental Income Coverage is \$10,000.

5. **Property In Transit**

a. **Coverage** - Coverage for earnings is extended to loss of earnings during the "restoration period" when "your" "business" is interrupted as a result of a direct physical loss, caused by a covered peril, to covered property in transit.

b. **Limit** - The most "we" pay in any one occurrence under this Supplemental Income Coverage is \$5,000.

6. **Sewer Backup and Water Below the Surface** - If coverage is indicated on the "schedule of coverages", "we" extend "your" coverage for earnings and extra expense to include direct physical loss to covered property caused by:

- a. water that backs up through a sewer or drain; or
- b. water below the surface of the ground, including but not limited to water that exerts pressure on or flows, seeps, or leaks through or into a described premises.

7. **Virus and Hacking Coverage**

a. **Coverage** - Coverage for earnings and/or extra expense is extended to loss of earnings or extra expenses caused by a "computer virus" or by "computer hacking" that results in:

- (1) direct physical loss or damage to covered "software" and "hardware"; or
- (2) denial of access to or services from "your" "hardware" or "your" computer network.

b. **We Do Not Cover** - "We" do not cover loss of earnings or extra expenses under this Supplemental Income Coverage that results from:

- (1) loss of exclusive use of any "data records" or "proprietary programs" that have been copied, scanned, or altered;
- (2) loss of or reduction in economic or market value of any "data records" or "proprietary programs" that have been copied, scanned, or altered;

- (3) theft from "your" data records" or "proprietary programs" of confidential information through the observation of the "data records" or "proprietary programs" by accessing covered "hardware" or "your" computer network without any alteration or other physical loss or damage to the records or programs.

Confidential information includes, but is not limited to, customer information, processing methods, or trade secrets.

- c. **Waiting Period Limitation** - Unless otherwise indicated on the "schedule of coverages", "we" do not pay for "your" loss of earnings under this Supplemental Income Coverage until after the first 24 hours following the direct physical loss of or damage to "your" data processing operations. This waiting period does not apply to extra expenses that "you" incur.

- d. **Limit** - The most "we" pay in any one occurrence under this Supplemental Income Coverage is \$5,000.

The most "we" pay for all covered losses under this Supplemental Income Coverage during each 12-month period of this policy is \$15,000.

#### PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

#### PERILS EXCLUDED

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

- a. **Civil Authority** - "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do pay for loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

- b. **Earth Movement** - Except as provided under Supplemental Coverages - Earthquake Coverage, "we" do not pay for loss caused by any earth movement (other than "sinkhole collapse") or caused by eruption, explosion, or effusion of a volcano. Earth movement includes, but is not limited to: earthquake; landslide; mudflow; mudslide; mine subsidence; or sinking, rising, or shifting of earth.

"We" do cover direct loss by fire, explosion, or "volcanic action" resulting from either earth movement or eruption, explosion, or effusion of a volcano.

- c. **Flood** - Except as provided under Supplemental Coverages - Flood Coverage, "we" do not pay for loss caused by "flood". However, "we" do cover the resulting loss if fire, explosion, or sprinkler leakage results.

- d. **Nuclear Hazard** - "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

- e. **Sewer Backup and Water Below the Surface** - Except as provided under Supplemental Coverages - Sewer Backup and Water Below the Surface, "we" do not pay for loss caused by or resulting from:

- (1) water that backs up through a sewer or drain; or
- (2) water below the surface of the ground, including but not limited to water that exerts pressure on or flows, seeps, or leaks through or into a building or structure.

But if sewer backup and water below the surface results in fire, explosion, or sprinkler leakage, "we" cover the loss or damage caused by that fire, explosion, or sprinkler leakage.

- f. **War And Military Action** - "We" do not pay for loss caused by:

- (1) war, including undeclared war or civil war; or
- (2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- (3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

**a. Computer Virus or Computer Hacking** - Except as provided under Supplemental Coverages - Virus and Hacking Coverage and Supplemental Income Coverages - Virus and Hacking Coverage, "we" do not pay for:

- (1) any direct or indirect loss or damage; or
- (2) loss of access, loss of use, or loss of functionality

caused by a "computer virus" or by "computer hacking".

**b. Criminal, Fraudulent, or Dishonest Acts** - "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts alone or in collusion with another by:

- (1) "you";
- (2) others who have an interest in the property;
- (3) others to whom "you" entrust the property;
- (4) "your" partners, officers, directors, trustees, or joint adventurers; or
- (5) the employees or agents of (1), (2), (3), or (4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

**c. Electrical and Power Supply Disturbance** - "We" do not pay for loss caused by "electrical disturbance" or "power supply disturbance" if the cause of such disturbance took place more than 500 feet from the premises where the loss occurred.

However, if disturbance coverage beyond 500 feet is indicated on the "schedule of coverages", then the Electrical and Power Supply Disturbance exclusion described above is deleted.

**d. Loss of Use** - "We" do not pay for loss caused by or resulting from loss of use, business interruption, delay, or loss of market.

This exclusion does not apply to the coverages described under Income Coverages, Income Coverage Extensions, and Supplemental Income Coverages.

**e. Pollutants** - "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants" unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril". "We" do pay for any resulting loss caused by a "specified peril".

**f. Temperature/Humidity** - Except as provided under Utility Interruption, "we" do not pay for loss to covered property caused by:

- (1) dryness, dampness, humidity; or
- (2) changes in or extremes of temperature.

However, "we" do pay for loss to covered property that results from a direct physical loss, caused by a covered peril, to the air conditioning system that services covered "hardware".

**g. Voluntary Parting** - Except as provided under Coverage Extensions - Fraud and Deceit, "we" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

3. "We" do not pay for loss or damage if one or more of the following exclusions apply to the loss. But if loss by a covered peril results, "we" will pay for the resulting loss.

**a. Contamination, Deterioration, Rust, or Corrosion** - "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.

This exclusion does not apply to loss caused by "mechanical breakdown".

**b. Wear and Tear or Obsolescence** - "We" do not pay for loss caused by wear and tear, depreciation, or obsolescence.

4. "We" do not pay for loss of earnings or extra expenses, as described under Income Coverage, caused by or resulting from one or more of the following:

**a. Error or Omission In Programming** - "We" do not pay for extra expense caused by an error or omission in programming or incorrect instructions to "hardware".

**b. Leases, Licenses, Contracts, or Orders** - "We" do not cover any increase in loss due to the suspension, lapse, or cancellation of leases, licenses, contracts, or orders.



However, "we" do cover loss during the "restoration period" if the suspension, lapse, or cancellation results directly from the interruption of "your" "business".

"We" do not cover any extra expense caused by the suspension, lapse, or cancellation of leases, licenses, contracts, or orders beyond the "restoration period".

**c. Strikes, Protests, and Other Interference**

- "We" do not cover any increase in loss due to interference by strikers or other persons at a premises described on the "schedule of coverages". This applies to interference with rebuilding, repairing, or replacing the property or with resuming "your" "business".

**d. Utility Failure** - Except as provided under Supplemental Income Coverages - Off Premises Utility Service Interruption, "we" do not pay for loss caused by or resulting from the failure of a utility to supply electrical power or other utility service to a described premises, if the failure takes place away from the described premises. "We" do not pay for loss caused by or resulting from the failure of a utility to supply service regardless of the cause of failure.

**e. Interruption of Web Site** - "We" do not pay for loss caused by or resulting from the interruption of "your" Web site. "We" do not pay for loss caused by or resulting from the interruption of "your" Web site regardless of the cause of the interruption.

#### WHAT MUST BE DONE IN CASE OF LOSS

**1. Notice** - In case of a loss, "you" must:

- a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
- b. give notice to the police when the act that causes the loss is a crime.

**2. You Must Protect Property** - "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.

- a. **Payment of Reasonable Costs** - "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused

a loss to covered property. "You" must keep an accurate record of such costs.

- b. **We Do Not Pay** - "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against. This does not increase "our" "limit".

**3. Proof of Loss** - "You" must send "us" within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:

- a. the time, place, and circumstances of the loss;
- b. other policies of insurance that may cover the loss;
- c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
- d. changes in title of the covered property during the policy period; and
- e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.

**4. Intent To Continue Business - Income Coverage** - If "you" intend to continue "your" "business", "you" must resume all or part of "your" "business" as soon as possible.

**5. Examination** - "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.

**6. Records** - "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.

**7. Damaged Property** - "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.

**8. Volunteer Payments** - "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.

**9. Abandonment** - "You" may not abandon the property to "us" without "our" written consent.

**10. Cooperation** - "You" must cooperate with "us" in performing all acts required by this policy.

**VALUATION****1. Hardware** - The following is the value of "hardware":**a. Replacement Cost** - The value of "hardware" will be based on replacement cost without any deduction for depreciation unless Actual Cash Value is indicated on the "schedule of coverages".

**(1) Replacement Cost Limitation** - The replacement cost is limited to the cost of repair or replacement with similar materials on the same site and used for the same purpose. The payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.

**(2) Replacement Cost Does Not Apply Until Repair Or Replacement** - Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.

**(3) Time Limitation** - "You" may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if "you" notify "us" of "your" intent within 180 days after the loss.

**b. Actual Cash Value** - When Actual Cash Value is indicated on the "schedule of coverages", the value of "hardware" will be based on the actual cash value at the time of the loss with a deduction for depreciation.**2. Software** - The following is the value of "software".**a. Programs and Applications**

**(1) Cost To Reinstall** - The value of "programs and applications" will be based on the cost to reinstall the "programs or applications" from the licensed discs that were originally used to install the programs or applications.

**(2) If The Original Discs Are Lost** - If the original licensed discs are lost, damaged, or can no longer be obtained, the value of "programs and applications" will be based on the cost of the most current version of the "programs or applications".

**b. Proprietary Programs**

**(1) Cost of Reproduction** - The value of "proprietary programs" will be based on the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies.

**(2) If Duplicate Copies Do Not Exist** - If duplicate copies do not exist, the value of "proprietary programs" will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost "proprietary programs".

**c. Data Records**

**(1) Cost of Reproduction** - The value of "data records" will be based on the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies.

**(2) If Duplicate Copies Do Not Exist** - If duplicate copies do not exist, the value of "data records" will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost files, documents, and records.

**d. Media** - The value of "media" will be based on the cost to repair or replace the "media" with material of the same kind or quality.**3. Pair Or Set**

**a. Reasonable Proportion of Value** - The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

**b. Provision Does Not Apply To Software** - The Pair or Set provision does not apply to "software" that comes in sets. If part of a "software" set cannot be replaced, the loss is considered a total loss of the set.

**4. Loss To Parts** - The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

**5. Earnings**

**a. Determining An Earnings Loss** - In determining an earnings loss "we" consider:

**(1)** the experience of "your" "business" before the loss and the probable experience during the time of interruption had no loss occurred;

**(2)** "your" continuing operating expenses normally incurred by "your" "business", including, but not limited to, payroll expense necessary to resume "business" to a similar level of service that existed before the occurrence of direct physical loss or damage; and

- (3) pertinent sources of information and reports including:
- (a) "your" accounting procedures and financial records;
  - (b) bills, invoices, and other vouchers;
  - (c) contracts, deeds, and liens;
  - (d) reports on feasibility and status; and
  - (e) records documenting "your" budget and marketing objectives and results.
- b. Conditions For Non-Payment of Increased Loss** - "We" do not pay for any increase in loss due to "your" failure to use reasonable efforts to resume all or part of "your" "business". This includes making use of other locations and property to reduce the loss.
- c. Loss Payment If You Do Not Resume Your Business** - If "your" "business" is not resumed as soon as possible, or if it is not resumed at all, the value of loss payment is based on the period of time it would have otherwise taken to resume "your" "business" as soon as possible.
- 6. Extra Expense** - In determining extra expenses that "you" have incurred, "we" consider the salvage value of any property bought for temporary use during the "restoration period" and it will be deducted from the amount of loss determined for extra expense.
- HOW MUCH WE PAY**
- 1. Insurable Interest** - "We" do not cover more than "your" insurable interest in any property.
  - 2. Earthquake Period** - All earthquakes or volcanic eruptions that occur within a 168-hour period will be considered a single event. This 168-hour period is not limited by the policy expiration.
  - 3. Deductible** - "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.  
The deductible may be shown as either an amount or a percentage. When shown as a percentage, the deductible is that percentage of the value of the covered property at the time of the loss.
  - 4. Loss Settlement Terms** - Subject to paragraphs 1., 2., 3., 5., 6., 7., 8., 9., and 10. under How Much We Pay, "we" pay the lesser of:
    - a. the amount determined under Valuation;
    - b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
- c. the "limit" that applies to the covered property.
- 5. Coinsurance, Hardware, and Software**
- a. When Coinsurance Applies** - "We" only pay a part of the loss if the "limit" is less than the percentage of the value of the covered property that is indicated on the "schedule of coverages".
  - b. How We Determine Our Part of The Loss** - "Our" part of the loss is determined using the following steps:
    - (1) multiply the percent indicated on the "schedule of coverages" by the value of the covered property at the time of loss;
    - (2) divide the "limit" for covered property by the result determined in 5.a. above;
    - (3) multiply the total amount of loss, after the application of any deductible, by the result determined in 5.b. above.

The most "we" pay is the amount determined in 5.c. above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.
  - c. If There Is More Than One Limit** - If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".
  - d. If There Is Only One Limit** - If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.
  - e. When Coinsurance Does Not Apply** - Conditions for coinsurance do not apply unless a coinsurance percentage is indicated on the "schedule of coverages".
- 6. Coinsurance, Income Coverage Part**
- a. When Coinsurance Applies** - "We" pay only a part of the loss if the "limit" is less than the coinsurance percentage multiplied by the sum of:
    - (1) "your" net income (net profit or loss before income taxes); and
    - (2) continuing operating expenses projected for the 12 months following the inception of this policy or the last previous anniversary date of this policy (whichever is later), normally earned by "your" "business".



**b. How We Determine Our Part of The Loss** - "Our" part of the loss is determined using the following steps:

- (1) multiply the coinsurance percentage by the sum of "your" net income and continuing operating expenses projected for the 12 months following the inception of this policy or the last previous anniversary date of this policy;
- (2) divide the "limit" by the figure determined in (1) above;
- (3) multiply the total amount of loss by the figure determined in (2) above.

"We" pay the amount determined in (3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.

**c. When Coinsurance Does Not Apply** - Conditions for coinsurance do not apply:

- (1) unless a coinsurance percentage is indicated on the "schedule of coverages"; and
- (2) to coverage for extra expense.

**7. Insurance Under More Than One Coverage** - If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.

**8. Insurance Under More Than One Policy**

- a. Proportional Share** - "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
- b. Excess Amount** - If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

**9. Income Coverage Limit** - "We" pay no more than the Income Coverage "limit" indicated on the "schedule of coverages" for any one loss. Payment for earnings and extra expense combined does not exceed the "limit".

**10. Waiting Period**

- a. Waiting Period Limitation** - If an Income Coverage waiting period is indicated on the "schedule of coverages", "we" do not pay for "your" loss of earnings until after

the first 24 hours (unless otherwise indicated on the "schedule of coverages") following the direct physical loss of or damage to covered property caused by a covered peril.

This waiting period does not apply to extra expenses that "you" incur.

**b. Waiting Period Limitation For Civil Authority** - As regards coverage under Interruption by Civil Authority, coverage under this extension begins:

- (1) for earnings, 24 hours (unless otherwise indicated on the "schedule of coverages") after the time the order is issued and ends 30 consecutive days and 24 hours from the date of the order; and
- (2) for extra expense, immediately after the time the order is issued, and ends 30 consecutive days and 24 hours from the date of the order.

**c. Other Waiting Period Limitations** - The waiting period described under Off Premises Utility Service Interruption and Virus and Hacking Coverage is not deleted nor replaced by the terms of this provision.

**LOSS PAYMENT**

**1. Loss Payment Options**

**a. Our Options** - In the event of loss covered by this coverage form, "we" have the following options:

- (1) pay the value of the lost or damaged property;
- (2) pay the cost of repairing or replacing the lost or damaged property;
- (3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
- (4) take all or any part of the property at the agreed or appraised value.

**b. Notice of Our Intent To Rebuild, Repair, or Replace** - "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

**2. Your Losses**

**a. Adjustment and Payment of Loss** - "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.

**b. Conditions For Payment of Loss** - An insured loss will be payable 30 days after:

- (1) a satisfactory proof of loss is received; and
- (2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

### 3. Property of Others

#### a. Adjustment and Payment of Loss To Property of Others - Losses to property of others may be adjusted with and paid to:

- (1) "you" on behalf of the owner; or
- (2) the owner.

#### b. We Do Not Have To Pay You If We Pay The Owner - If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits arising from the owners at "our" expense.

### OTHER CONDITIONS

#### 1. Appraisal - If "you" and "we" do not agree on the amount of the loss or the actual cash value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

#### 2. Income Coverage (Appraisal) - If "you" and "we" do not agree on the amount of net income (net profit or loss before income taxes), payroll expense, and operating expenses, these amounts may be determined by ap-

praisal in accordance with the provisions described above under 1. Appraisal.

#### 3. Benefit To Others - Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.

#### 4. Conformity With Statute - When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.

#### 5. Estates - This provision applies only if the insured is an individual.

##### a. Your Death - On "your" death, "we" cover the following as an insured:

- (1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
- (2) "your" legal representative.

This person or organization is an insured only with respect to property covered by this coverage.

##### b. Policy Period Is Not Extended - This coverage does not extend past the policy period indicated on the declarations.

#### 6. Misrepresentation, Concealment, or Fraud - This coverage is void as to "you" and any other insured if, before or after a loss:

##### a. "you" or any other insured have willfully concealed or misrepresented:

- (1) a material fact or circumstance that relates to this insurance or the subject thereof; or
- (2) "your" interest herein.

##### b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.

#### 7. Policy Period - "We" pay for a covered loss that occurs during the policy period.

#### 8. Recoveries - If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:

- a. "you" must notify "us" promptly if "you" recover property or receive payment;
- b. "we" must notify "you" promptly if "we" recover property or receive payment;
- c. any recovery expenses incurred by either are reimbursed first;
- d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid, or any lesser amount to which "we" agree; and

- e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be pro rated between "you" and "us" based on "our" respective interest in the loss.

**9. Restoration of Limits** - Except as indicated under Virus and Hacking Coverage, a loss "we" pay under this coverage does not reduce the applicable "limits".

**10. Subrogation** - If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.

**11. Suit Against Us** - No one may bring a legal action against "us" under this coverage unless:

- a. all of the "terms" of this coverage have been complied with; and
- b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

**12. Territorial Limits** - "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.



This endorsement changes the policy  
- PLEASE READ THIS CAREFULLY -

## **CALENDAR DATE OR TIME FAILURE EXCLUSION**

### **ADDITIONAL PERILS EXCLUDED**

"We" do not pay for loss or damage if the following exclusion applies to the loss. But if loss by a covered peril results, "we" will pay for the resulting loss.

**Calendar Date or Time Failure** - "We" do not pay for loss to any "hardware" or "software" caused by two-digit coding of four-digit calendar year dates including, but not limited to, any abbreviated or encrypted date or time:

1. that results in the inability of any "hardware" or "software" to unambiguously recognize or distinguish any date or time; or
2. that results in the misinterpretation by any "hardware" or "software" of any date or time.



POLICY NUMBER: TRA 5284060

POLICY PERIOD: FROM 01/01/2012 TO 01/01/2013

## SCHEDULE OF COVERAGES INSTALLATION FLOATER COVERAGE

(The entries required to complete this schedule  
will be shown below or on the "schedule of coverages".)

**PROPERTY COVERED**

(Check one)

**{X} Blanket Coverage**

Jobsite Limit	\$ 150,000
Catastrophe Limit	\$ 1,750,000

**{ } Scheduled Locations Coverage**

Loc. No.	"Jobsite"	"Limit"
Catastrophe Limit		\$

**COVERAGE EXTENSIONS**

	"Limit"
Additional Debris Removal Expenses	\$ 5,000
Emergency Removal	10 Days
Limited Fungus Coverage	\$ 15,000

**SUPPLEMENTAL COVERAGES**

Pollutant Cleanup And Removal	\$ 10,000
Sewer Backup	\$ 5,000
Temporary Storage Locations	\$ 150,000
Transit	\$ 150,000

**DEDUCTIBLE**

Deductible Amount	\$ 1,000
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**COINSURANCE**

(Check one)

**{X} Waived**

{ } 80%	{ } 90%	{ } 100%	{ } Other %
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**OPTIONAL COVERAGES AND ENDORSEMENTS**

IM2027 0809\*, CL0700 1006\*, IM7105 0810\*, IM7100 0810\*, IM7117A 0810\*.





## INSTALLATION FLOATER COVERAGE

In this coverage form, the words "you" and "your" mean the persons or organizations named as the insured on the declarations and the words "we", "us", and "our" mean the company providing this coverage.

Refer to the Definitions section at the end of this coverage form for additional words and phrases that have special meaning. These words and phrases are shown in quotation marks.

### AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Installation Floater Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

### PROPERTY COVERED

"We" cover only the following property and only to the extent the property is not otherwise excluded or subject to limitations.

1. **Coverage** - "We" cover direct physical loss caused by a covered peril to:
  - a. "your" materials, supplies, fixtures, machinery, or equipment; and
  - b. similar property of others that is in "your" care, custody, or control while at "your" "jobsite" and that "you" are installing, constructing, or rigging as part of an "installation project".
2. **Coverage Limitations** -
  - a. "We" only cover materials, supplies, machinery, fixtures, and equipment that will become a permanent part of "your" completed "installation project".
  - b. If Scheduled Locations Coverage is indicated on the "schedule of coverages", "we" only cover an "installation project" at a "jobsite" that is described on the "schedule of coverages".
3. **We Do Not Cover** - "We" do not cover materials, supplies, fixtures, machinery, or equipment that "you" are not or will not be installing, constructing, or rigging.

4. **We Do Not Pay** - "We" do not pay for any penalties for:
  - a. noncompletion or late completion of an "installation project" in accordance with the provisions or conditions in the installation or construction contract; or
  - b. noncompliance with any provisions or conditions in the installation or construction contract.

### 5. Limit -

- a. If Blanket Coverage is indicated on the "schedule of coverages", the most "we" pay in any one occurrence for loss or damage to materials, supplies, machinery, fixtures, and equipment at any one "jobsite" is the Jobsite Limit indicated on the "schedule of coverages".
- b. If Scheduled Locations Coverage is indicated on the "schedule of coverages", the most "we" pay in any one occurrence for loss or damage to materials, supplies, machinery, fixtures, and equipment is the "limit" indicated on the "schedule of coverages" for that "jobsite".

### PROPERTY NOT COVERED

1. **Airborne Property** - "We" do not cover property while airborne except while in transit on a regularly scheduled airline flight.
2. **Buildings, Structures, And Land** - "We" do not cover buildings, structures, or land.
3. **Contraband** - "We" do not cover contraband or property in the course of illegal transportation or trade.
4. **Machinery, Tools, Equipment** - "We" do not cover machinery, tools, equipment, or similar property that will not become a permanent part of "your" "installation project".
5. **Trees, Shrubs, Or Plants** - "We" do not cover trees, shrubs, plants, or lawns.
6. **Waterborne Property** - "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.

### COVERAGE EXTENSIONS

**Provisions That Apply To Coverage Extensions** - The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage, including a Coverage Extension, Supplemental Coverage, or other coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

## 1. Debris Removal -

- a. **Coverage** - "We" pay the cost of debris removal. Debris removal means the costs for the demolition, clearing, and removal of debris of covered property if such debris results from a covered peril.
- b. **We Do Not Cover** - This coverage does not include costs to:
  - (1) extract "pollutants" from land or water; or
  - (2) remove, restore, or replace polluted land or water.
- c. **Limit** - "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss or damage exclusive of the costs for debris removal. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
- d. **Additional Limit** - "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
- e. **You Must Report Your Expenses** - "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

## 2. Emergency Removal -

- a. **Coverage** - "We" cover any direct physical loss or damage to covered property while it is being moved or being stored to prevent a loss caused by a covered peril.

- b. **Time Limitation** - This coverage applies for up to ten days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.

## 3. Limited Fungus Coverage -

- a. **Coverage** - "We" pay for:
  - (1) costs and expenses arising out of the presence of "fungus" on covered property caused by or resulting from a covered peril; and
  - (2) direct physical loss or damage to covered property caused by or relating to the existence of or any activity of "fungus".
- b. **Coverage Limitation** - "We" only provide the coverage described in item 3.a. above:
  - (1) when the "fungus" is the result of:
    - (a) a "specified peril" other than fire or lightning; or
    - (b) "flood" (if the Flood Coverage is provided under this policy);
 that occurs during the policy period; and
  - (2) only if all reasonable steps were taken to protect the property from additional damage at and after the time of the occurrence.
- c. **Limited Fungus Coverage Limit** - The most "we" pay for all loss or damage covered by this Coverage Extension at all "jobsites" is \$15,000, unless another "limit" is indicated on the "schedule of coverages". The Limited Fungus Coverage Limit applies regardless of the number of claims made, occurrences, or "jobsites".
 

The Limited Fungus Coverage Limit applies regardless of the number of "jobsites" or "installation projects" insured under this policy.

The Limited Fungus Coverage Limit is the most that "we" pay for the total of all loss or damage arising out of all occurrences of "specified perils", other than fire or lightning, or "flood" (if applicable) during each separate 12-month period beginning with the inception date of this policy.
- d. **If The Policy Period Is Extended** - If the policy period is extended for an additional period of less than 12 months, this additional period will be considered part of the preceding period for the purpose of determining the Limited Fungus Coverage Limit.

- e. Recurrence And Continuation Of Fungus** - The Limited Fungus Coverage Limit is the most that "we" pay with respect to a specific occurrence of a loss that results in "fungus" even if such "fungus" recurs or continues to exist during this or any future policy period.
- f. Limited Fungus Coverage Limit Applies To Other Costs Or Expenses** - The Limited Fungus Coverage Limit also applies to any cost or expense to:
- (1) clean up, contain, treat, detoxify, or neutralize "fungus" on covered property or remove "fungus" from covered property;
  - (2) remove and replace those parts of covered property necessary to gain access to "fungus"; and
  - (3) test for the existence or level of "fungus" prior to or following the repair, replacement, restoration, or removal of damaged property if it is reasonable to believe that "fungus" is present.
- g. Loss Not Caused By Fungus** - If there is a covered loss or damage to covered property not caused by "fungus", loss payment will not be limited by the "terms" of this coverage extension. However, to the extent that "fungus" causes an increase in the loss, that increase is subject to the "terms" of this Coverage Extension.

## SUPPLEMENTAL COVERAGES

**Provisions That Apply To Supplemental Coverages** - The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension, including a Supplemental Coverage, Coverage Extension, or other coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following Supplemental Coverages are not subject to and not considered in applying coinsurance conditions.

### 1. Pollutant Cleanup And Removal -

- a. **Coverage** - "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** - The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.
- c. **We Do Not Cover** - "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".  
  
However, "we" pay the cost of testing that is necessary for the extraction of "pollutants" from land or water.
- d. **Limit** - The most "we" pay for each location is \$10,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

### 2. Sewer Backup -

- a. **Coverage** - "We" cover direct physical loss or damage to a covered property caused by or resulting from:
  - (1) water or waterborne material that backs up, overflows or is otherwise discharged through a sewer or drain, sump or septic tank; or
  - (2) water or waterborne material below the surface of the ground, including but not limited to water or waterborne material that exerts pressure on or flows, seeps, or leaks through or into a covered "installation project", sidewalk, driveway, foundation, swimming pool, or other structure.
- b. **Coverage Limitations** - "We" do not cover loss or damage caused by or resulting from:
  - (1) escape of water or waterborne material from a sump pit not equipped with a sump pump;

- (2) failure to perform routine maintenance and repair of all sump pumps and related equipment; and
  - (3) failure to perform routine maintenance of sewers and drains including keeping sewers and drains free from obstructions. This limitation does not apply if "you" are not responsible for the maintenance of sewers or drains that results in loss or damage.
  - c. **Limit** - The most "we" pay in any one occurrence under this Supplemental Coverage is \$5,000.
3. **Temporary Storage Locations** -
- a. **Coverage** - "We" cover direct physical loss or damage caused by a covered peril to materials, supplies, fixtures, machinery, or equipment that will become a permanent part of a covered "installation project" while temporarily in storage at a location away from "your jobsite".
  - b. **We Do Not Cover** - "We" do not cover property in a temporary storage location if the property has not been specifically allocated to or otherwise identified with a covered "installation project".
  - c. **Limit** - The most "we" pay in any one occurrence for loss to property at a storage location is \$5,000.
4. **Transit** -
- a. **Coverage** - "We" cover direct physical loss or damage caused by a covered peril to materials, supplies, machinery, fixtures, and equipment that will become a permanent part of a covered "installation project" while they are in transit.
  - b. **Limit** - The most "we" pay in any one occurrence for loss to property in transit is \$5,000.

## PERILS COVERED

"We" cover risks of direct physical loss or damage unless the loss is limited or caused by a peril that is excluded.

## PERILS EXCLUDED

- 1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.
- a. **Civil Authority** - Order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

## b. **Earth Movement** - Any "earth movement".

However, if eruption, explosion, or effusion of a volcano results in "volcanic action", "we" will pay for the loss or damage caused by that "volcanic action".

If "earth movement" results in fire, "we" will pay for the loss or damage caused by that fire. If "earth movement" (other than eruption, explosion, or effusion of a volcano) results in explosion, "we" will pay for the loss or damage caused by that explosion.

This exclusion does not apply to covered property while in transit.

## c. **Flood** - "Flood".

"We" also do not cover waterborne material carried or otherwise moved by "flood", whether or not driven by wind, including storm surge, or material carried or otherwise moved by mudslide or mudflow.

However, if "flood" results in fire, explosion, or sprinkler leakage, "we" will pay for the loss or damage caused by that fire, explosion, or sprinkler leakage.

This exclusion does not apply to covered property while in transit.

## d. **Fungus** - Except as provided under Coverage Extensions - Limited Fungus Coverage, the existence of or any activity of "fungus".

But if "fungus" results in a "specified peril", "we" cover loss or damage caused by that "specified peril".

This exclusion does not apply to:

- (1) loss that results from fire or lightning; or
- (2) collapse caused by hidden decay.

## e. **Nuclear Hazard** - Nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

## f. **Ordinance Or Law** - Enforcement of any code, ordinance, or law regulating the use, construction, or repair of any building or structure; or requiring the demolition of any building or structure including the cost of removing its debris.

"We" do not pay for loss or increased cost regardless if the loss or increased cost is caused by or results from the:

- (1) enforcement of any code, ordinance, or law even if a building or structure has not been damaged; or
- (2) increased costs that "you" incur because of "your" compliance with a code, ordinance, or law during the construction, repair, rehabilitation, remodeling, or razing of a building or structure, including the removal of debris, following direct physical loss or damage to the property.

**g. Sewer, Septic Tank, Sump, Or Drain Backup And Water Below The Surface -** Except as provided under Supplemental Coverages - Sewer Backup:

- (1) water or waterborne material that backs up, overflows or is otherwise discharged through a sewer or drain, sump or septic tank, eaves trough or downspout; or
- (2) water or waterborne material below the surface of the ground, whether naturally or artificially occurring, including but not limited to water or waterborne material that exerts pressure on or flows, seeps, or leaks through or into a covered "installation project", sidewalk, driveway, foundation, swimming pool, or other structure.

But if sewer, drain, sump, septic tank, eaves trough, or downspout backup and water or waterborne material below the surface results in fire, explosion, or sprinkler leakage, "we" cover the loss or damage caused by that fire, explosion, or sprinkler leakage.

This exclusion does not apply to covered property while in transit.

**h. War And Military Action -**

- (1) War, including undeclared war or civil war; or
- (2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- (3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radi-

ation, or radioactive contamination, this War And Military Action exclusion will apply in place of the Nuclear Hazard exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

**a. Contamination Or Deterioration -** "We" do not pay for loss or damage caused by or resulting from contamination or deterioration, including but not limited to corrosion, decay, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.

But if contamination or deterioration results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

**b. Criminal, Fraudulent, Dishonest, Or Illegal Acts -** "We" do not pay for loss or damage caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

- (1) "you";
- (2) others who have an interest in the property;
- (3) others to whom "you" entrust the property;
- (4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
- (5) the employees or agents of (1), (2), (3), or (4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

**c. Defect, Weakness, Or Inadequacy In Materials -** "We" do not pay for loss or damage caused by or resulting from a defect, weakness, inadequacy, fault, or unsoundness in materials.

But if a defect, weakness, inadequacy, fault or unsoundness as described above results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

**d. Defects, Errors, Or Omissions In Property -** "We" do not pay for loss or damage caused by or resulting from inherent defects, errors, or omissions in covered property (whether negligent or not) relating to:



(1) design or specifications;

(2) workmanship or construction; or

(3) repair, renovation or remodeling.

But if a defect, error or omission as described above results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

**e. Delay In Completion And Increased Installation Costs -**

(1) "We" do not pay for loss or damage caused directly or indirectly by a:

a. delay in the completion of installation, construction, or rigging of an "installation project" or any portion of a building or "installation project"; or

b. change in the sequence of installation, construction, or rigging of an "installation project" or any portion of a building or "installation project"

regardless of the cause of the delay in completion or change in sequence.

(2) "We" also do not pay for increased installation or construction costs caused by or resulting from a delay in completion or change in sequence as described above under items e.(1), (a) and (b). Increased installation or construction costs include, but are not limited to:

(a) general conditions;

(b) increased installation or construction costs and additional installation or construction expenses;

(c) increased overhead, increased material costs, and increased labor costs;

(d) soft costs; and

(e) loss of earnings and loss of rental income.

(3) General conditions means general conditions and extended general conditions including, but not limited to, costs of additional:

(a) utility charges;

(b) maintenance;

(c) facilities;

(d) communications; and

(e) administrative personnel.

**f. Electrical Currents** - "We" do not pay for loss or damage caused by or resulting from arcing or by electrical currents other than lightning.

But if arcing or electrical currents other than lightning result in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

**g. Loss Of Use And Consequential Loss** - "We" do not pay for loss or damage caused by or resulting from loss of use, delay, or loss of market. "We" also do not pay for any consequential loss or damage of any nature.

**h. Mechanical Breakdown** - "We" do not pay for loss or damage caused by or resulting from

(1) mechanical breakdown; or

(2) rupturing or bursting of moving parts of machinery caused by centrifugal force.

But if a mechanical breakdown or rupturing or bursting of moving parts of machinery caused by centrifugal force results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

**i. Missing Property** - "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

**j. Pollutants** - "We" do not pay for loss or damage caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":

(1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or

(2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril".

**k. Steam Boiler Explosion** - "We" do not pay for loss or damage caused by or resulting from an explosion of steam boilers, steam pipes, steam turbines, or steam engines.

But if an explosion of steam boilers, steam pipes, steam turbines, or steam engines results in a fire or combustion explosion, "we" cover the loss or damage caused by that fire or combustion explosion. "We" also cover loss or damage caused by or resulting from the explosion of gas or fuel in a firebox, combustion chamber, or flue.

- l. Temperature/Humidity** - "We" do not pay for loss or damage caused by or resulting from dryness, dampness, humidity, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- m. Voluntary Parting** - "We" do not pay for loss or damage caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

- n. Wear And Tear** - "We" do not pay for loss or damage caused by or resulting from wear and tear, marring, or scratching.

But if wear and tear, marring, or scratching results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

## WHAT MUST BE DONE IN CASE OF LOSS

- 1. Notice** - In case of a loss, "you" must:
  - a.** give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
  - b.** give notice to the police when the act that causes the loss is a crime.
- 2. You Must Protect Property** - "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
  - a. Payment Of Reasonable Costs** - "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".
  - b. We Do Not Pay** - "We" do not pay for such repairs or emergency measures performed on property that has not been damaged by a peril insured against.

- 3. Proof Of Loss** - "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
    - a.** the time, place, and circumstances of the loss;
    - b.** other policies of insurance that may cover the loss;
    - c.** "your" interest and the interests of all others in the property involved, including all mortgages and liens;
    - d.** changes in title of the covered property during the policy period; and
    - e.** estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.
  - 4. Examination** - "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
  - 5. Records** - "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
  - 6. Damaged Property** - "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
  - 7. Volunteer Payments** - "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
  - 8. Abandonment** - "You" may not abandon the property to "us" without "our" written consent.
  - 9. Cooperation** - "You" must cooperate with "us" in performing all acts required by this policy.
- ## VALUATION
- 1. Cost To Repair, Replace, Or Rebuild** -
    - a. If Property Is Repaired, Replaced, Or Rebuilt** - If covered property is repaired, replaced, or rebuilt, the value of covered property will be based on the reasonable and necessary costs and expenses "you" incur to repair, replace, or rebuild the covered property with materials of like kind and quality. The reasonable and necessary costs and expenses may include material, labor, reasonable overhead and profit, and delivery charges.

- b. If Property Is Not Repaired, Replaced, Or Rebuilt** - If covered property is not repaired, replaced, or rebuilt, the value of covered property will be based on the estimated reasonable and necessary costs that would have been incurred to repair, replace, or rebuild the covered property with material of like kind and quality.

However, the value of covered property does not include any unincurred or estimated costs for overhead, profit, or delivery charges.

- c. Payment Limitation** - In no event will "we" pay more than the "limit" indicated on the "schedule of coverages".
- 2. Pair Or Set** - The value of a lost or damaged article that is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.
- 3. Loss To Parts** - The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

#### HOW MUCH WE PAY

- 1. Insurable Interest** - "We" do not pay for more than "your" insurable interest in any property.
- 2. Deductible** - "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.
- 3. Loss Settlement Terms** - Subject to paragraphs 1., 2., 4., 5., 6., and 7. under How Much We Pay, "we" pay the lesser of:
- a. the amount determined under Valuation;
  - b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
  - c. the "limit" that applies to the covered property.
- 4. Coinsurance** -
- a. **When Coinsurance Applies** - "We" only pay a part of the loss if the "limit" is less than the percentage of the value of the covered property that is indicated on the "schedule of coverages".
  - b. **How We Determine Our Part Of The Loss** - "Our" part of the loss is determined using the following steps:
    - (1) multiply the percent indicated on the "schedule of coverages" by the value of the covered property at the time of loss;

- (2) divide the "limit" for covered property by the result determined in b.(1) above;
- (3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.(2) above.

The most "we" pay is the amount determined in b.(3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.

- c. **If There Is More Than One Limit** - If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".
  - d. **If There Is Only One Limit** - If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.
  - e. **When Coinsurance Does Not Apply** - Conditions for coinsurance do not apply unless a coinsurance percentage is indicated on the "schedule of coverages".
- 5. Catastrophe Limit** - The most "we" pay in any one occurrence is the Catastrophe Limit indicated on the "schedule of coverages" regardless if an occurrence or loss involves:
- a. one or more "installation projects";
  - b. one or more "jobsites"; or
  - c. any combination of "installation projects", "jobsites", or coverages described under Coverage Extensions or Supplemental Coverages.
- 6. Insurance Under More Than One Coverage** - If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.
- 7. Insurance Under More Than One Policy** -
- a. **Proportional Share** - "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
  - b. **Excess Amount** - If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".



**LOSS PAYMENT****1. Loss Payment Options -**

- a. **Our Options** - In the event of loss covered by this coverage form, "we" have the following options:

- (1) pay the value of the lost or damaged property;
- (2) pay the cost of repairing or replacing the lost or damaged property;
- (3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
- (4) take all or any part of the property at the agreed or appraised value.

- b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** - "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

**2. Your Losses -**

- a. **Adjustment And Payment Of Loss** - "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.

- b. **Conditions For Payment Of Loss** - An insured loss will be payable 30 days after:

- (1) a satisfactory proof of loss is received; and
- (2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

**3. Property Of Others -**

- a. **Adjustment And Payment Of Loss To Property Of Others** - Losses to property of others may be adjusted with and paid to:

- (1) "you" on behalf of the owner; or
- (2) the owner.

- b. **We Do Not Have To Pay You If We Pay The Owner** - If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

**OTHER CONDITIONS**

1. **Appraisal** - If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the

appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

2. **Benefit To Others** - Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.

3. **Conformity With Statute** - When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.

4. **Estates** - This provision applies only if the insured is an individual.

- a. **Your Death** - On "your" death, "we" cover the following as an insured:

- (1) the person who has custody of "your" property until a legal representative is qualified and appointed; or

- (2) "your" legal representative.

This person or organization is an insured only with respect to property covered by this coverage.

- b. **Policy Period Is Not Extended** - This coverage does not extend past the policy period indicated on the declarations.

5. **Misrepresentation, Concealment, Or Fraud** - This coverage is void as to "you" and any other insured if, before or after a loss:

- a. "you" or any other insured have willfully concealed or misrepresented:

- (1) a material fact or circumstance that relates to this insurance or the subject thereof; or

- (2) "your" interest herein.

- b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.
6. **Policy Period** - "We" pay for a covered loss that occurs during the policy period.
7. **Recoveries** - If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
- "you" must notify "us" promptly if "you" recover property or receive payment;
  - "we" must notify "you" promptly if "we" recover property or receive payment;
  - any recovery expenses incurred by either are reimbursed first;
  - "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and
  - if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be prorated between "you" and "us" based on "our" respective interest in the loss.
8. **Restoration Of Limits** - Except as indicated under Coverage Extensions - Limited Fungus Coverage, a loss "we" pay under this coverage does not reduce the applicable "limits".
9. **Subrogation** - If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.
- "You" may waive "your" right to recover from others in writing before a loss occurs.
10. **Suit Against Us** - No one may bring a legal action against "us" under this coverage unless:
- all of the "terms" of this coverage have been complied with; and
  - the suit has been brought within two years after "you" first have knowledge of the loss.
- If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.
11. **Territorial Limits** - "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.
12. **Carriers For Hire** - "You" may accept bills of lading or shipping receipts issued by carriers

for hire that limit their liability to less than the actual cash value of the covered property.

#### ADDITIONAL COVERAGE LIMITATIONS

**When Coverage Ceases** - Coverage ends when one of the following occurs:

- this policy expires or is canceled;
- the covered "installation project" is accepted by the purchaser;
- "your" insurable interest in the covered property ceases;
- "you" abandon the "installation project" with no intent to complete it;
- the "installation project" has been completed for more than 30 days; or
- the covered property has been put to its intended use. However, this does not apply to roofs or walls.

#### DEFINITIONS

- "Earth movement" means:
  - earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
  - landslide, mudslide, or mudflow;
  - mine subsidence whether or not the non-natural mine is currently in use;
  - any other movement of earth, including sinking (other than "sinkhole collapse"), shifting, or rising of earth including, but not limited to, erosion, expansion, shrinking, freezing, thawing, improper soil compaction, and movement of water under the surface of the ground that cause cracking, settling, or shifting of foundations, buildings, or structures; or
  - eruption, explosion, or effusion of a volcano.
- "Flood" means an overflowing or inundation by water of an area that was previously and normally dry or not covered by water, whether caused artificially or naturally, by human or animal forces or by an act of nature. "Flood" includes, but is not limited to:
  - overflow of inland or tidal waters, waves, tidal waves, or tsunamis, or spray that results from any of these, all whether driven by wind or not, including but not limited to storm surge;
  - unusual and rapid accumulation or runoff of surface waters from any source; or
  - mudslides or mudflows if caused by:
    - unusual and rapid accumulation or runoff of surface waters or waves; or

- (2) currents of water exceeding anticipated cyclical levels.
3. "Fungus" means:
- a fungus, including but not limited to mildew and mold;
  - a protist, including but not limited to algae and slime mold;
  - wet rot and dry rot;
  - a bacterium; or
  - a chemical, matter, or compound produced or released by a fungus, a protist, wet rot, dry rot, or a bacterium, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.
4. "Installation project" means an installation or construction project including, but not limited to, a repair or maintenance project that involves the installation, construction or rigging of materials supplies, fixtures, machinery, or equipment.
5. "Jobsite" means any location, project, or work site where "you" are involved in the installation, construction, or rigging of materials, supplies, fixtures, machinery, or equipment.
6. "Limit" means the amount of coverage that applies.
7. "Pollutant" means:
- any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
  - electrical or magnetic emissions, whether visible or invisible, and sound emissions.
8. "Schedule of coverages" means:
- all pages labeled "schedule of coverages" or schedules that pertain to this coverage; and
  - declarations or supplemental declarations that pertain to this coverage.
9. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.
10. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.
- Falling objects does not include loss to:
- personal property in the open; or
  - the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object.
- Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.
11. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.
12. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.
- "Volcanic action" does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.



This endorsement changes the  
Installation Floater Coverage  
- PLEASE READ THIS CAREFULLY -

## **WATERBORNE ENDORSEMENT**

(The entries required to complete this endorsement  
will be shown below or on the "schedule of coverages".)

### **SCHEDULE**

<b>Waterborne Limit</b>	\$ Included Within The Jobsite Limit
<b>Waterborne Deductible Amount</b>	\$ 1,000

### **COVERAGE EXTENSIONS**

#### **Waterborne Property**

1. **Coverage** - "We" cover direct physical loss or damage caused by a covered peril to covered property while waterborne.
2. **Limit** - The most "we" pay in any one occurrence for loss or damage to covered property while waterborne is the Waterborne Limit indicated on the schedule.

### **PROPERTY NOT COVERED**

The exclusion for Waterborne Property still applies except to the extent that coverage is provided under this endorsement.

### **HOW MUCH WE PAY**

The following deductible provision applies to waterborne property:

**Waterborne Deductible** - "We" pay only that part of "your" loss over the Waterborne Deductible Amount indicated on the schedule in any one occurrence.



POLICY NUMBER: TRA 5284060

POLICY PERIOD: FROM 01/01/2012 TO 01/01/2013

**SCHEDULE OF COVERAGES  
BUILDERS' RISK  
COMPREHENSIVE FORM**

(The entries required to complete this schedule  
will be shown below or on the "schedule of coverages".)

**SCHEDULED JOBSITES**

Loc. No.	"Jobsite"	"Limit"
001	31632 N ELLIS DR UNIT 111/112 VOLO, IL 60073	\$11,000,000
002	20 VOLO VILLAGE ROAD VOLO, IL 60073	\$ 246,213

**Check if applicable:**

{ } Attach Additional Builders' Risk Schedule to schedule more "jobsites"

**CATASTROPHE LIMIT** \$11,000,000**COVERAGE EXTENSIONS** "Limits"

Additional Debris Removal Expenses \$ 5,000

Emergency Removal 10 Days

Emergency Removal Expenses \$ 10,000

Fraud And Deceit \$ 50,000

Limited Fungus Coverage \$ 15,000

Waterborne Property \$ 10,000

**SUPPLEMENTAL COVERAGES** "Limits"

Expediting Expenses \$ 10,000

Expense To Re-Erect Scaffolding \$ 5,000

Fire Department Service Charges \$ 1,000

Ordinance Or Law (Undamaged Parts  
Of A Building) CoveredOrdinance Or Law (Increased Cost To  
Repair And Cost To Demolish/Clear Site) \$ 50,000

Personal Property \$ 10,000

Pollutant Cleanup And Removal \$ 25,000

Rewards \$ 1,000

Sewer Backup \$ 10,000

Temporary Storage Locations \$ 10,000

Transit \$ 10,000

Trees, Shrubs, And Plants \$ 10,000

**DEDUCTIBLE**

Deductible Amount \$ 1,000

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**COINSURANCE** (check one)

☒ 100%

☐ Coinsurance Provisions Are Waived

**PERMISSION TO OCCUPY** (check one)

☒ Permission to occupy is not granted.

☐ The occupancy and use provisions under Additional Coverage Limitations are deleted, and permission is granted to occupy covered property after the date indicated below:

Month                  Day                  Year

**OPTIONAL COVERAGES AND ENDORSEMENTS**

IM7083	0810*, IM7095	0810*, IM2027	0809*, IM7055	0908*, IM7050	0908*,
CL0700	1006*, IM7086	0908*, IM7085	0908*.		



TRA 5284060

**EQUIPMENT BREAKDOWN AND TESTING SCHEDULE**

(The entries required to complete this schedule  
will be shown below or on the "schedule of coverages".)

**COVERAGES****"LIMITS"****Property Damage** (check one)

☐ Refer To Builders' Risk Coverage

☒ Property Damage Limit \$ 1,000, 000

**Testing**

- Coverage included as part of Property Damage

**Delay In Completion** (check one)

☒ Coverage not provided under Equipment  
Breakdown And Testing Coverage

☐ Delay In Completion Coverage (check one)

☐ Refer To Delay In Completion Coverage Schedule

☐ Delay In Completion Limits

Additional Construction Expenses \$ \_\_\_\_\_

Additional Soft Costs

- 30-Day Limit \$ \_\_\_\_\_

- Occurrence Limit \$ \_\_\_\_\_

Rental Income \$ \_\_\_\_\_

Income Coverage \$ \_\_\_\_\_

**COVERAGE EXTENSIONS**

-- Refer to Builders' Risk Coverage for other  
Coverage Extensions (if applicable)

-- Refer to Delay In Completion Coverage for  
other Coverage Extensions (if applicable)



TRA 5284060

**SUPPLEMENTAL COVERAGES****"LIMITS"**

- Pollutants
- Refer to Builders' Risk Coverage for other Supplemental Coverages (if applicable)
- Refer to Delay In Completion Coverage for other Supplemental Coverages (if applicable)

\$ 25,000

**DEDUCTIBLES****Property Damage (including Testing)**

Deductible Amount

\$ 5,000

Other (describe)

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

**Delay In Completion (if applicable)**

Waiting Period (check one)

☐ Waiting Period

\_\_\_\_\_ days

☐ Waiting Period does not apply



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IM 7083 08 10  
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This endorsement changes the  
Builders' Risk Coverage  
-- PLEASE READ THIS CAREFULLY --

## EQUIPMENT BREAKDOWN AND TESTING COVERAGE

Coverage provided under this endorsement is also subject to the "terms" and conditions in the Builders' Risk Coverage under the sections titled Agreement, Definitions, Property Covered, Property Not Covered, Coverage Extensions, Supplemental Coverages, Perils Excluded, What Must Be Done In Case Of Loss, Valuation, How Much We Pay, Loss Payment, Other Conditions, and Additional Coverage Limitations.

**Rehabilitation And Renovation Form** – If this endorsement is attached to the Rehabilitation And Renovation Form, the references to "building or structure" are replaced with "rehabilitation or renovation project".

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### ADDITIONAL DEFINITIONS

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1. "Accident" means a fortuitous occurrence that causes direct physical loss or damage to "covered equipment". The occurrence must be one of the following:
  - a. mechanical breakdown, including rupture or bursting caused by centrifugal force;
  - b. artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances, or wires;
  - c. explosion of steam boilers, steam pipes, steam turbines, or steam engines that "you" own or lease or that are operated under "your" control;
  - d. loss or damage to steam boilers, steam pipes, steam turbines, or steam engines caused by or resulting from any condition or occurrence inside such boilers or equipment; or
  - e. loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or occurrence inside such boilers or equipment.
2. "Covered equipment"
  - a. "Covered equipment" means equipment:
    - 1) that generates, transmits, or utilizes energy; or
    - 2) which, during normal usage, operates under vacuum or pressure other than the weight of its contents.

Such equipment must be covered property as described in the Property Covered section of the Builders' Risk Coverage form.
  - b. "Covered equipment" does not mean:
    - 1) a building, a structure, or a compartment that covers or houses "covered equipment";
    - 2) foundations that support "covered equipment";
    - 3) sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system;
    - 4) insulating or refractory material; and
    - 5) water piping, but "we" do cover:
      - a) boiler feedwater and condensate return piping; and
      - b) water piping for air conditioning or refrigeration systems.
3. "One accident" means when an initial "accident" causes or results in other "accidents", all of the "accidents" will be considered "one accident". All "accidents" that are the result of the same occurrence will be considered "one accident".

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## COVERAGE

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### 1. Property Damage

a. **Coverage** -- "We" cover direct physical loss or damage to covered property caused by or resulting from an "accident" at "your" "jobsite".

b. **Limit** --

- 1) If Property Damage Limit is indicated on the Equipment Breakdown And Testing Schedule, the Property Damage Limit on the schedule is the only "limit" that applies to loss or damage resulting from an "accident".
- 2) If Refer To Builders' Risk Coverage is indicated on the Equipment Breakdown And Testing Schedule, refer to the "schedule of coverages" for the applicable "limit" for covered "buildings or structures". This "limit" will apply to loss or damage resulting from an "accident".

### 2. Testing

a. **Coverage** -- "We" also cover direct physical loss or damage to covered property caused by or resulting from an "accident" at "your" "jobsite" during testing.

b. **Testing Means** -- Testing as used in this endorsement means start-up, performance, stress, pressure, or overload testing of covered property.

c. **Limit** -- The "limit" for testing is included in and is part of the "limit" for Property Damage.

### 3. Delay In Completion

a. **Coverage** -- If the Delay In Completion Coverage Part is combined with the Builders' Risk Coverage form and Delay In Completion Coverage is indicated on the Equipment Breakdown And Testing Schedule, coverage under this endorsement is extended to the Delay In Completion Coverage Part, subject to Limits as described below.

b. **Limits** --

- 1) If Delay In Completion Limits are indicated on the Equipment Breakdown And Testing Schedule, the Delay In Completion Limits on the schedule are the only "limits" that apply to a "delay" resulting from an "accident".
  - 2) If Refer To Delay In Completion Coverage Schedule is indicated on the Equipment Breakdown And Testing Schedule, refer to the Delay In Completion Schedule for the applicable "limits" for covered "buildings or structures". These "limits" will apply to a "delay" resulting from an "accident".
  - 3) Refer to Delay In Completion Coverage Part for a definition of "delay".
4. **We Do Not Pay** -- "We" do not pay for any penalties for non-completion or non-compliance with any contract provisions or conditions.



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## COVERAGE EXTENSIONS

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Refer to the Builders' Risk Coverage form for a description of Coverage Extensions and their applicable "limits". If the Delay In Completion Coverage Part is combined with the Builders' Risk Coverage form and Delay In Completion Coverage is indicated on the Equipment Breakdown And Testing Schedule, also refer to the Delay In Completion Coverage Part for a description of additional Coverage Extensions and their applicable "limits".

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## SUPPLEMENTAL COVERAGES

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Except for the addition of Pollutants as described below, refer to the Builders' Risk Coverage form for a description of Supplemental Coverages and their applicable "limits". If the Delay In Completion Coverage Part is combined with the Builders' Risk Coverage form and Delay In Completion Coverage is indicated on the Equipment Breakdown And Testing Schedule, also refer to the Delay In Completion Coverage Part for a description of an additional Supplemental Coverage and its applicable "limit".

### Pollutants

1. **Coverage** -- "We" pay for the additional cost to repair or replace covered property because of contamination by "pollutants". This includes the additional expenses to clean up or dispose of such property.
2. **Additional Expenses Mean** -- Additional expenses mean those beyond what would have been required had no "pollutants" been involved.

3. **Contamination By Pollutants** -- "We" will also pay for additional loss as described under Delay In Completion Coverage Part caused by contamination by "pollutants".
4. **Limit** -- The most "we" pay for loss or damage under this Supplemental Coverage is \$25,000. If a different "limit" is indicated on the Equipment Breakdown And Testing Schedule, that "limit" will apply instead of the "limit" shown above.

The "limit" for this Supplemental Coverage is separate from, and not part of, the applicable "limit" for coverage described under Coverage.

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## PERILS COVERED

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"We" cover risks of direct physical loss or damage caused by or resulting from an "accident" to "covered equipment" unless the loss is limited or caused by a peril that is excluded.

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## ADDITIONAL PERILS EXCLUDED

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The following excluded perils are added to the Perils Excluded section in the Builders' Risk Coverage form.

1. **Software** -- "We" do not pay for loss caused by any defect, programming error, programming limitation, computer virus, malicious code, loss of data, loss of access, loss of use, loss of functionality, or other condition within or involving data, data processing software, or software media of any kind.

But if an "accident" results, "we" will pay for the resulting loss or damage caused by that "accident".

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2. **Misalignment Or Miscalibration** -- "We" do not pay for loss caused by misalignment, miscalibration, tripping off-line, or any condition which can be corrected by:

- a. resetting, tightening, adjusting, or cleaning; or
- b. performance of maintenance.

But if an "accident" results, "we" will pay for the resulting loss or damage caused by that "accident".

2. **Waiting Period** -- If a waiting period is indicated on the Equipment Breakdown And Testing Schedule for Delay In Completion, "we" do not pay for:

- a. Additional Soft Costs;
- b. loss of rental income; or
- c. loss of net income

until after the number of days indicated on the schedule have passed.

This waiting period does not apply to Additional Construction Expenses.

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## HOW MUCH WE PAY

The following Deductible and Waiting Period provisions are added to the provisions of How Much We Pay.

1. **Deductible** -- "We" pay only that part of "your" loss over the deductible amount indicated on the Equipment Breakdown And Testing Schedule in any "one accident".
  - a. If the Delay In Completion Coverage Part is combined with the Builders' Risk Coverage form and Delay In Completion Coverage is indicated on the Equipment Breakdown And Testing Schedule, Additional Construction Expenses are included as part of the Equipment Breakdown deductible provisions.
  - b. If deductibles vary by type of "covered equipment" and more than one type of equipment is involved in any "one accident", the highest deductible will apply. Unless the Equipment Breakdown And Testing Schedule indicates that a single deductible applies to all Equipment Breakdown coverages, multiple deductibles may apply to any "one accident".

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## ADDITIONAL CONDITIONS

**Suspension** -- When any "covered equipment" is discovered to be in, or exposed to a dangerous situation or condition, any representative of "ours" may immediately suspend the insurance coverage against loss from an "accident" to that equipment. The suspension will not apply to any other covered peril under the Builders' Risk Coverage form.

"We" can do this by mailing or delivering a written notice of suspension to "your" address as shown in the declarations, or at the address where the "covered equipment" is located.

Once so suspended, "your" insurance under this endorsement can be reinstated only by written notice from "us". If "your" insurance under this endorsement is so suspended, "you" will get a pro rata premium refund. But the suspension is effective even if "we" have not yet offered or made a refund.

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IM 7083 08 10

This endorsement changes the policy  
- PLEASE READ THIS CAREFULLY -

## AMENDATORY ENDORSEMENT ILLINOIS

1. Under Definitions, item b. of Pollutants is deleted.
2. Under Coverage Extensions, Defense Costs, if applicable, is amended as follows:
  - a. Paragraph a. Coverage is deleted and replaced by the following:
    - a. **Coverage** - "We" have the right and duty to defend any "suit" brought against "you" as a result of damage to covered property caused by a covered loss. "We" may investigate and settle a claim or "suit".
    - b. Under paragraph d., item (4) is deleted and replaced by the following:
      - (4) expenses that "you" incur for expert testimony or court-ordered arbitration or mediation;
  - c. The following paragraph is added:

The expenses "we" incur under Defense Costs will not reduce the applicable "limit" for coverage described under Property Covered.
3. Under Perils Excluded, Criminal, Fraudulent, Dishonest, Or Illegal Acts is amended to include the following:

However, if the loss is caused by an act arising out of a pattern of criminal domestic violence and the perpetrator of the loss is criminally prosecuted for the act causing the loss, this exclusion does not apply to an otherwise covered loss suffered by another insured who did not cooperate in or contribute to the act that caused the loss.

Subject to the "terms" under How Much We Pay and all other "terms" of this policy, "our" payment to an insured who did not cooperate in or contribute to the act that caused the loss may be limited to the claimant's insurable interest less
- payments made to a mortgagee or other party with a legal secured interest in the property.
4. Under Other Conditions, Misrepresentation, Concealment, Or Fraud is deleted and replaced by the following:

**Misrepresentation, Concealment, Or Fraud** - "We" do not provide coverage for an insured who has:

  - a. willfully concealed or misrepresented:
    - (1) a material fact or circumstance with respect to this insurance; or
    - (2) an insured's interest herein; or
  - b. engaged in fraudulent conduct or sworn falsely with respect to this insurance or the subject thereof.
5. Under Other Conditions, Subrogation is amended to include the following:

An innocent insured who is the subject of criminal domestic violence by another insured cannot waive his or her right to recover. "We" retain all rights set forth by this Subrogation condition with regard to "our" right to recover, up to the amount "we" pay, for loss caused by an act of criminal domestic violence.
6. In all coverage forms except Cold Storage Locker Coverage, Contingent Cargo Coverage, Motor Truck Cargo Legal Liability Coverage, Riggers' Legal Liability Coverage, and Warehouse Legal Liability Coverage, under Other Conditions, Suit Against Us is amended to include the following:

However, this period is extended by the number of days between the date proof of loss is submitted and the claim is denied in whole or in part.



## BUILDERS' RISK COVERAGE SCHEDULED JOBSITE FORM COMPREHENSIVE FORM

In this coverage form, the words "you" and "your" mean the persons or organizations named as the insured on the declarations and the words "we", "us", and "our" mean the company providing this coverage.

Refer to the Definitions section at the end of this coverage form for additional words and phrases that have special meaning. These words and phrases are shown in quotation marks.

### AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Builders' Risk Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

### PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

#### Course Of Construction

1. **Coverage** - "We" cover direct physical loss or damage caused by a covered peril to "buildings or structures" while in the course of construction, erection, or fabrication.
2. **Scaffolding, Fencing, And Temporary Structures** - "We" also cover direct physical loss or damage caused by a covered peril to:
  - a. scaffolding, construction forms, or temporary fencing; and
  - b. temporary structures.
3. **Coverage Limitation** - "We" only cover:
  - a. "buildings or structures" in the course of construction; and
  - b. scaffolding, construction forms, temporary fencing, and temporary structures
 at the "jobsite" described on the "schedule of coverages".
4. **We Do Not Pay** - "We" do not pay for any penalties for:

- a. non-completion or late completion of a "building or structure" in accordance with the provisions or conditions in the construction contract; or
- b. non-compliance with any provisions or conditions in the construction contract.

### PROPERTY NOT COVERED

1. **Aircraft Or Watercraft** - "We" do not cover aircraft or watercraft.
2. **Contraband** - "We" do not cover contraband or property in the course of illegal transportation or trade.
3. **Land** - "We" do not cover land including land on which covered property is located.
4. **Money And Securities** - "We" do not cover accounts, bills, currency, food stamps, or other evidences of debt, lottery tickets not held for sale, money, notes, or securities.
5. **Not A Permanent Part Of Building** - Except as provided under Supplemental Coverages - Personal Property, "we" do not cover:
  - a. materials and supplies;
  - b. machinery, tools, and equipment; and
  - c. business personal property
 that will not become a permanent part of a covered "building or structure".
6. **Roadways And Walkways** - "We" do not cover walkways, roadways, and other paved surfaces that are:
  - a. more than 1,000 feet from; or
  - b. not next to nor part of
 covered "buildings or structures".
7. **Standing Building Or Structure**
  - a. "We" do not cover any:
    - (1) standing "building or structure"; or
    - (2) part of a standing "building or structure"
 that has been wholly or partially constructed, erected, or fabricated prior to the inception of this policy.

- b. "We" do not cover any standing "building or structure" in the process of rehabilitation or renovation. Rehabilitation and renovation includes, but is not limited to, any additions, alterations, improvements, or repairs to an existing "building or structure".
- 8. **Trees, Shrubs, Or Plants** - Except as provided under Supplemental Coverages - Trees, Shrubs, And Plants, "we" do not cover trees, shrubs, plants, or lawns.
- 9. **Vehicles** - "We" do not cover automobiles or any self-propelled vehicles that are designed for highway use.
- 10. **Waterborne Property** - Except as provided under Coverage Extensions - Waterborne Property, "we" do not cover property while waterborne except while in transit in the custody of a carrier for hire.

### COVERAGE EXTENSIONS

**Provisions That Apply To Coverage Extensions** - The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage, including a Coverage Extension, Supplemental Coverage, or other coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

#### 1. Debris Removal

- a. **Coverage** - "We" pay the cost of debris removal. Debris removal means the costs for the demolition, clearing, and removal of debris of covered property if such debris results from a covered peril.
- b. **We Do Not Cover** - This coverage does not include costs to:
  - (1) extract "pollutants" from land or water; or

- (2) remove, restore, or replace polluted land or water.

- c. **Limit** - "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss or damage exclusive of the costs for debris removal. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
- d. **Additional Limit** - "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
- e. **You Must Report Your Expenses** - "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

#### 2. Emergency Removal

- a. **Coverage** - "We" cover any direct physical loss or damage to covered property while it is being moved or being stored to prevent a loss caused by a covered peril.
- b. **Time Limitation** - This coverage applies for up to ten days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.

#### 3. Emergency Removal Expenses

- a. **Coverage** - "We" pay for "your" expenses to move or store covered property to prevent a loss caused by a covered peril.
- b. **Time Limitation** - This coverage applies for up to ten days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.
- c. **Limit** - The most "we" pay in any one occurrence for expenses to move or store covered property to prevent a loss is \$10,000.
- d. **This Is A Separate Limit** - The "limit" for Emergency Removal Expenses is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

#### 4. Fraud And Deceit

- a. **Coverage** - "We" cover theft of covered property when "you", "your" agents, customers, or consignees are fraudulently induced to part with the covered property;

- (1) to persons who falsely represent themselves as the proper persons to receive the property;
  - (2) by the acceptance of fraudulent bills of lading or shipping receipts; or
  - (3) as a result of or directly related to the use of any electronic data processing hardware or software.
- b. **Limit** - The most "we" pay in any one occurrence for theft of covered property under this Coverage Extension is \$50,000.

## 5. Limited Fungus Coverage

- a. **Coverage** - "We" pay for:
- (1) costs and expenses arising out of the presence of "fungus" on covered property caused by or resulting from a covered peril; and
  - (2) direct physical loss or damage to covered property caused by or relating to the existence of or any activity of "fungus".
- b. **Coverage Limitation** - "We" only provide the coverage described in item 5.a. above:
- (1) when the "fungus" is the result of:
    - (a) a "specified peril" other than fire or lightning; or
    - (b) "flood" (if Flood Coverage is provided under this policy);
 that occurs during the policy period; and
  - (2) if all reasonable steps were taken to protect the property from additional damage at and after the time of the occurrence.
- c. **Limited Fungus Coverage Limit** - The most "we" pay for all loss or damage covered by this Coverage Extension at all "buildings or structures" is \$15,000, unless another "limit" is indicated on the "schedule of coverages". The Limited Fungus Coverage Limit applies regardless of the number of claims made.

The Limited Fungus Coverage Limit applies regardless of the number of locations or "buildings or structures" insured under this policy.

The Limited Fungus Coverage Limit is the most that "we" pay for the total of all loss or damage arising out of all occurrences of "specified perils", other than fire or lightning, or "flood" (if applicable) during each separate 12-month period beginning with the inception date of this policy.

- d. **If The Policy Period Is Extended** - If the policy period is extended for an additional period of less than 12 months, this additional period will be considered part of the preceding period for the purpose of determining the Limited Fungus Coverage Limit.
- e. **Recurrence And Continuation Of Fungus** - The Limited Fungus Coverage Limit is the most that "we" pay with respect to a specific occurrence of a loss which results in "fungus" even if such "fungus" recurs or continues to exist during this or any future policy period.
- f. **Limited Fungus Coverage Limit Applies To Other Costs Or Expenses** - The Limited Fungus Coverage Limit also applies to any cost or expense to:
- (1) clean up, contain, treat, detoxify, or neutralize "fungus" on covered property or remove "fungus" from covered property;
  - (2) remove and replace those parts of covered property necessary to gain access to "fungus"; and
  - (3) test for the existence or level of "fungus" following the repair, replacement, restoration, or removal of damaged property if it is reasonable to believe that "fungus" is present.
- g. **Loss Not Caused By Fungus** - If there is a covered loss or damage to covered property not caused by "fungus", loss payment will not be limited by the "terms" of this coverage extension. However, to the extent that "fungus" causes an increase in the loss, that increase is subject to the "terms" of this Coverage Extension.

## 6. Waterborne Property

- a. **Coverage** - "We" cover direct physical loss or damage caused by a covered peril to covered property while waterborne.
- b. **Limit** - The most "we" pay in any one occurrence for loss to waterborne property is \$10,000.

## SUPPLEMENTAL COVERAGES

### Provisions That Apply To Supplemental Coverages

The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.



However, if no "limit" is indicated for a Supplemental Coverage within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension, including a Supplemental Coverage, Coverage Extension, or other coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following Supplemental Coverages are not subject to and not considered in applying coinsurance conditions.

#### 1. Expediting Expenses

- a. **Coverage** - When a covered peril occurs to a covered "building or structure", "we" pay for reasonable expediting expenses necessary to complete construction within the time frame specified in the construction contract.

Expediting expenses include, but are not limited to, additional:

- (1) labor or overtime;
- (2) transportation costs and storage expense;
- (3) expense to rent additional equipment; and
- (4) similar construction expenses.

- b. **Limit** - The most "we" pay in any one occurrence for all expediting expenses is \$10,000.

#### 2. Expense To Re-Erect Scaffolding

- a. **Coverage** - "We" pay "your" expense to re-erect scaffolding after a covered loss to a covered "building or structure".
- b. **Limit** - The most "we" pay for expense to re-erect scaffolding is \$5,000.

#### 3. Fire Department Service Charges

- a. **Coverage** - "We" cover "your" liability, assumed by contract or agreement prior to the loss, for fire department service charges.

#### b. Coverage Limitations - "We" only pay for:

- (1) fire department service charges that relate to covered property; and
- (2) charges incurred when the fire department is called to save or protect covered property from a covered peril.

- c. **Limit** - The most "we" pay in any one occurrence for "your" liability for fire department service charges is \$1,000.

No deductible applies to this Supplemental Coverage.

#### 4. Ordinance Or Law (Undamaged Parts Of A Building)

- a. **Coverage** - When a covered peril occurs to a covered "building or structure", "we" pay for the value of undamaged parts of a covered "building or structure" that is required to be demolished as a result of the enforcement of any ordinance, law, or decree that:

- (1) requires the demolition of undamaged parts of a covered "building or structure" that is damaged or destroyed by a covered peril;
- (2) regulates the construction or repair of a "building or structure", or establishes building, zoning, or land use requirements at a covered "jobsite"; and
- (3) is in force at the time of loss.

#### b. We Do Not Cover - "We" do not cover:

- (1) the costs associated with the enforcement of any ordinance, law, or decree that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to or assess the effects of "pollutants";
- (2) loss or increased cost caused by the enforcement of any ordinance, law, or decree that requires the reconstruction, repair, replacement, remodeling, remediation, or razing of property due to the existence of or any activity of "fungus"; or
- (3) costs associated with the enforcement of any ordinance, law, or decree that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "fungus".

- c. **Coverage Limitation** - This coverage is part of and not in addition to the applicable "limit" for coverage described under Property Covered.



**5. Ordinance Or Law (Increased Cost To Repair And Cost To Demolish/Clear Site)**

**a. Increased Cost To Repair**

**(1) Coverage** - When a covered peril occurs to a covered "building or structure", "we" cover the increased cost to repair, rebuild, or reconstruct;

**(a)** damaged portions of a covered "building or structure"; and

**(b)** undamaged portions of a covered "building or structure" whether or not those undamaged portions need to be demolished;

as a result of the enforcement of building, zoning, or land use ordinance, law, or decree and is in force at the time when a covered peril occurs to a covered "building or structure".

**(2) If The Building Is Repaired Or Rebuilt** - If a covered "building or structure" is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by building, zoning, or land use ordinance, law, or decree.

**(3) Coverage Limitation** - "We" do not cover the increased cost of construction until the covered "building or structure" is actually repaired or replaced, whether at the same or another location, and unless the repairs or replacement are made as soon as reasonably possible after the loss, not to exceed two years. The period for repair or replacement may be extended by "us" in writing during the two year period.

**b. Cost To Demolish And Clear Site** - "We" cover the cost to demolish and clear the site of undamaged parts of the covered "building or structure" that is damaged or destroyed by a covered peril. The demolition must be a result of the enforcement of a building, zoning, or land use ordinance, law, or decree that is in force at the time when a covered peril occurs to a covered "building or structure".

**c. We Do Not Cover** - "We" do not cover:

**(1)** the costs associated with the enforcement of any ordinance, law, or decree:

**(a)** that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat,

detoxify, or neutralize or in any way respond to or assess the effects of "pollutants";

**(b)** that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "fungus"; or

**(c)** "you" were required to comply with before the covered peril occurred to a covered "building or structure", even if the "building or structure" was undamaged and "you" failed to comply with the ordinance, law, or decree; or

**(2)** loss or increased cost caused by the enforcement of any ordinance, law, or decree that requires the reconstruction, repair, replacement, remodeling, remediation, or razing of property due to the existence of or any activity of "fungus".

**d. What We Pay**

**(1) If The Building Is Repaired Or Replaced At Same Site Or Opt To Build At Another Location** - If the covered "building or structure" is repaired or replaced at the same location or "you" opt to build at another location, "we" pay the lesser of:

**(a)** the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure", plus the actual increased cost to repair, rebuild, or construct the property but not for more than a "building or structure" of the same height, floor area, and style at the same location; or

**(b)** \$50,000.

**(2) If The Building Is Repaired Or Replaced And Required By Ordinance Or Law To Relocate** - If the covered "building or structure" is rebuilt at the new location due to an ordinance or law requirement, "we" pay the lesser of:

**(a)** the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure", plus the actual increased cost to construct a "building or structure" of the same height, floor area, and style at a new location; or

**(b)** \$50,000.

**(3) If The Building Is Not Repaired Or Replaced** - If the covered "building or structure" is not repaired or replaced, "we" pay the lesser of:

- (a) the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure"; or

(b) \$50,000.

**6. Personal Property**

- a. **Coverage** - "We" cover direct physical loss or damage caused by a covered peril to business personal property that will not become a permanent part of a covered "building or structure".
- b. **Coverage Limitation** - "We" only cover business personal property while being installed or stored in a covered "building or structure".
- c. **Limit** - The most "we" pay in any one occurrence for loss to personal property is \$10,000.

**7. Pollutant Cleanup And Removal**

- a. **Coverage** - "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** - The expense to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.
- c. **We Do Not Cover** - "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.

- d. **Limit** - The most "we" pay for each location is \$25,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

**8. Rewards**

**a. Coverage**

- (1) "We" pay a reward to an eligible person for information leading to the arrest and conviction of any person or persons committing arson, theft,

or vandalism. The conviction must involve a covered loss, under this policy, caused by arson, theft, or vandalism.

- (2) "We" pay a reward to an eligible person for the return of stolen Covered Property, when the loss is caused by theft.

- b. **Eligible Person Means** - An eligible person under this Supplemental Coverage means the first person to voluntarily provide the applicable law enforcement agency with the necessary information or return the stolen Covered Property.

An eligible person cannot be:

- (1) "you" or any family member;
- (2) "your" employee or any of his or her family members;
- (3) an employee of the applicable law enforcement agency;
- (4) any person who had custody of the covered property at the time the property was stolen; or
- (5) any person involved in the crime.

- c. **Coverage Limitations** - There will be no reward payment unless and until the person(s) committing the crime is (are) convicted, or the covered property is returned.

- d. **Limit** - The most "we" pay in any one occurrence under this Supplemental Coverage is \$1,000.

The amount "we" pay is not increased by the number of persons involved in providing the information.

**9. Sewer Backup**

- a. **Coverage** - "We" cover direct physical loss or damage to covered property caused by or resulting from:

- (1) water or waterborne material that backs up, overflows or is otherwise discharged through a sewer or drain, sump or septic tank; or
- (2) water or waterborne material below the surface of the ground, including but not limited to water or waterborne material that exerts pressure on or flows, seeps, or leaks through or into a covered "building or structure", sidewalk, driveway, foundation, swimming pool, or other structure.

**b. Coverage Limitations** - "We" do not cover loss or damage resulting from:

- (1) escape of water or waterborne material from a sump pit not equipped with a sump pump;
- (2) failure to perform routine maintenance and repair of all sump pumps and related equipment; and
- (3) failure to perform routine maintenance of sewers and drains including keeping sewers and drains free from obstructions. This limitation does not apply if "you" are not responsible for the maintenance of sewers or drains that results in loss or damage.

**c. Limit** - The most "we" pay in any one occurrence under this Supplemental Coverage is \$10,000.

**10. Temporary Storage Locations**

**a. Coverage** - "We" cover direct physical loss or damage caused by a covered peril to:

- (1) materials and supplies that will become a permanent part of a covered "building or structure";
- (2) business personal property as described under Supplemental Coverages - Personal Property; and
- (3) trees, shrubs, plants, and lawns as described under Supplemental Coverages - Trees, Shrubs, And Plants (only for the perils described under Trees, Shrubs, And Plants)

while temporarily in storage at a location that is not described on the "schedule of coverages".

**b. We Do Not Cover** - "We" do not cover property in storage if the property has not been specifically allocated to or otherwise identified with a covered "building or structure".

**c. Limit** - The most "we" pay in any one occurrence for loss to property at a storage location is \$10,000.

**11. Transit**

**a. Coverage** - "We" cover direct physical loss or damage caused by a covered peril to:

- (1) materials and supplies that will become a permanent part of a covered "building or structure";

(2) business personal property as described under Supplemental Coverages - Personal Property; and

(3) trees, shrubs, plants, and lawns as described under Supplemental Coverages - Trees, Shrubs, And Plants and only for the perils described under Trees, Shrubs, And Plants

while in transit.

**b. Limit** - The most "we" pay in any one occurrence for loss to property in transit is \$10,000.

**12. Trees, Shrubs, And Plants**

**a. Coverage** - "We" cover direct physical loss or damage including debris removal expenses, to outdoor trees, shrubs, plants, and lawns.

**b. Coverage Limitation** - "We" only cover trees, shrubs, plants, and lawns that are:

- (1) at a covered "jobsite"; and
- (2) being planted or installed as part of "your" construction project.

**c. Covered Perils** - "We" only cover loss to trees, shrubs, plants, and lawns caused by the following perils:

- (1) fire;
- (2) lightning;
- (3) explosion;
- (4) riot or civil commotion;
- (5) falling objects; or
- (6) vandalism.

**d. Limit** - The most "we" pay in any one occurrence for loss to trees, shrubs, and plants is \$10,000.

**PERILS COVERED**

"We" cover risks of direct physical loss or damage unless the loss is limited or caused by a peril that is excluded.

**PERILS EXCLUDED**

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

- a. **Civil Authority** - Order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

- b. **Earth Movement** - Any "earth movement".

However, if eruption, explosion, or effusion of a volcano results in "volcanic action", "we" will pay for the loss or damage caused by that "volcanic action".

If "earth movement" results in fire, "we" will pay for the loss or damage caused by that fire. If "earth movement" (other than eruption, explosion, or effusion of a volcano) results in explosion, "we" will pay for the loss or damage caused by that explosion.

This exclusion does not apply to covered property while in transit.

- c. **Flood** - "Flood".

"We" also do not cover waterborne material carried or otherwise moved by "flood", whether or not driven by wind, including storm surge, or material carried or otherwise moved by mudslide or mudflow.

However, if "flood" results in fire, explosion, or sprinkler leakage, "we" will pay for the loss or damage caused by that fire, explosion, or sprinkler leakage.

This exclusion does not apply to covered property while in transit.

- d. **Fungus** - Except as provided under Coverage Extensions - Limited Fungus Coverage, the existence of or any activity of "fungus".

But if "fungus" results in a "specified peril", "we" cover loss or damage caused by that "specified peril".

This exclusion does not apply to:

- (1) loss that results from fire or lightning; or
- (2) collapse caused by hidden decay.

- e. **Nuclear Hazard** - Nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

- f. **Ordinance Or Law** - Except as provided under Supplemental Coverages - Ordinance Or Law, enforcement of any code, ordinance, or law regulating the use, construction, or repair of any "building or structure"; or requiring the demolition of any "building or structure" including the cost of removing its debris.

"We" do not pay for loss or increased cost regardless if the loss or increased cost is caused by or results from the:

(1) enforcement of any code, ordinance, or law even if a "building or structure" has not been damaged; or

(2) increased costs that "you" incur because of "your" compliance with a code, ordinance, or law during the construction, repair, rehabilitation, remodeling, or razing of a "building or structure", including the removal of debris, following direct physical loss or damage to the property.

g. **Sewer, Septic Tank, Sump, Or Drain Backup And Water Below The Surface** - Except as provided under Supplemental Coverages - Sewer Backup:

(1) water or waterborne material that backs up, overflows or is otherwise discharged through a sewer or drain, sump or septic tank, eaves trough or downspout; or

(2) water or waterborne material that backs up, overflows or is otherwise discharged through a sewer or drain, sump or septic tank, eaves trough or downspout; or

(2) water or waterborne material below the surface of the ground, whether naturally or artificially occurring, including but not limited to water or waterborne material that exerts pressure on or flows, seeps, or leaks through or into a covered "building or structure", sidewalk, driveway, foundation, swimming pool, or other structure.

But if sewer, drain, sump, septic tank, eaves trough, or downspout backup and water or waterborne material below the surface results in fire, explosion, or sprinkler leakage, "we" cover the loss or damage caused by that fire, explosion, or sprinkler leakage.

This exclusion does not apply to covered property while in transit.

- h. **War And Military Action**

(1) War, including undeclared war or civil war; or

(2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or

- (3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War And Military Action exclusion will apply in place of the Nuclear Hazard exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

- a. **Contamination Or Deterioration** - "We" do not pay for loss or damage caused by or resulting from contamination or deterioration including corrosion, decay, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.

But if contamination or deterioration results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- b. **Criminal, Fraudulent, Dishonest, Or Illegal Acts** - "We" do not pay for loss or damage caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

- (1) "you";
- (2) others who have an interest in the property;
- (3) others to whom "you" entrust the property;
- (4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
- (5) the employees or agents of (1), (2), (3), or (4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- c. **Defects, Errors, And Omissions** - "We" do not pay for loss or damage caused by or resulting from an act, defect, error, or omission (negligent or not) relating to:

- (1) design, specifications, construction, materials, or workmanship;

- (2) planning, zoning, development, siting, surveying, grading, or compaction; or

- (3) maintenance, installation, renovation, remodeling, or repair.

But if an act, error, or omission as described above results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

**d. Delay In Completion And Increased Construction Costs**

- (1) "We" do not pay for loss or damage caused directly or indirectly by a:

- (a) delay in the completion of construction, erection, or fabrication of a "building or structure" or any portion of a "building or structure"; or

- (b) a change in the sequence of construction, erection, or fabrication of a "building or structure" or any portion of a "building or structure"

regardless of the cause of the delay in completion or change in sequence.

- (2) "We" also do not pay for increased construction costs caused by or resulting from a delay in completion or change in sequence as described above under items d.(1), (a) and (b). Increased construction costs include, but are not limited to:

- (a) general conditions;
- (b) increased construction costs and additional construction expenses;
- (c) increased overhead, increased material costs, and increased labor costs;
- (d) soft costs; and
- (e) loss of earnings and loss of rental income.

- (3) General conditions means general conditions and extended general conditions including, but not limited to, costs of additional:

- (a) utility charges;
- (b) maintenance;
- (c) facilities;
- (d) communications; and
- (e) administrative personnel.



- e. **Electrical Currents** - "We" do not pay for loss or damage caused by or resulting from arcing or by electrical currents other than lightning.
- But if arcing or electrical currents other than lightning result in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

- f. **Loss Of Use And Consequential Loss** - "We" do not pay for loss or damage caused by or resulting from loss of use, delay, or loss of market. "We" also do not pay for any consequential loss or damage of any nature.

- g. **Mechanical Breakdown** - "We" do not pay for loss or damage caused by or resulting from:

- (1) mechanical breakdown; or
- (2) rupturing or bursting of moving parts of machinery caused by centrifugal force.

But if a mechanical breakdown or rupturing or bursting of moving parts of machinery caused by centrifugal force results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

- h. **Missing Property** - "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- i. **Pollutants** - "We" do not pay for loss or damage caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":

- (1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
- (2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup And Removal.

"We" do cover any resulting loss caused by a "specified peril".

- j. **Steam Boiler Explosion** - "We" do not pay for loss or damage caused by or resulting from an explosion of steam boilers, steam pipes, steam turbines, or steam engines.

But if an explosion of steam boilers, steam pipes, steam turbines, or steam

engines results in a fire or combustion explosion, "we" cover the loss or damage caused by that fire or combustion explosion. "We" also cover loss or damage caused by or resulting from the explosion of gas or fuel in a firebox, combustion chamber, or flue.

- k. **Temperature/Humidity** - "We" do not pay for loss or damage caused by or resulting from dryness, dampness, humidity, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- l. **Voluntary Parting** - Except as provided under Coverage Extensions - Fraud And Deceit, "we" do not pay for loss or damage caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

- m. **Wear And Tear** - "We" do not pay for loss or damage caused by or resulting from wear and tear, marring, or scratching.

But if wear and tear, marring, or scratching results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

#### WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** - In case of a loss, "you" must:

- a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
- b. give notice to the police when the act that causes the loss is a crime.

2. **You Must Protect Property** - "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.

- a. **Payment Of Reasonable Costs** - "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".

- b. **We Do Not Pay** - "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.

3. **Proof Of Loss** - "You" must send "us" within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:

- a. the time, place, and circumstances of the loss;
- b. other policies of insurance that may cover the loss;
- c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
- d. changes in title of the covered property during the policy period; and
- e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.

4. **Examination** - "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.

5. **Records** - "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.

6. **Damaged Property** - "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.

7. **Volunteer Payments** - "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.

8. **Abandonment** - "You" may not abandon the property to "us" without "our" written consent.

9. **Cooperation** - "You" must cooperate with "us" in performing all acts required by this policy.

#### VALUATION

1. **Replacement Cost** - The value of covered property will be based on replacement cost as described below.

a. **Replacement Cost Means** - Replacement cost means:

- (1) the necessary and reasonable costs of materials and labor incurred to repair or replace, without deduction for depreciation, the part of the cov-

ered property that sustains direct physical loss or damage;

- (2) the reasonable overhead and profit related to the covered property that sustains direct physical loss or damage but not to exceed the overhead and profit being charged for the construction, erection, or fabrication of a covered "building or structure" in accordance with the construction contracts; and

- (3) other related construction costs and expenses that are re-incurred to repair or replace the part of the covered property that sustains direct physical loss or damage but only if such costs have been included as part of the "limit" for a covered "building or structure".

b. **Replacement Cost Limitations** - Replacement cost is limited to the cost of repair or replacement with similar materials on the same site and used for the same purpose.

c. **Payment Limitation** - If the part of the covered property that sustains direct physical loss or damage is repaired or replaced, the payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.

2. **Pair Or Set** - The value of a lost or damaged article that is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

3. **Loss To Parts** - The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

#### HOW MUCH WE PAY

1. **Insurable Interest** - "We" do not cover more than "your" insurable interest in any property.

2. **Deductible** - "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.

3. **Loss Settlement Terms** - Subject to paragraphs 1., 2., 4., 5., 6., and 7., under How Much We Pay, "we" pay the lesser of:

- a. the amount determined under Valuation;
- b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
- c. the "limit" that applies to the covered property.

4. **Catastrophe Limit** - The most "we" pay in any one occurrence is the Catastrophe Limit indicated on the "schedule of coverages" regardless if an occurrence or loss involves:

- a. one or more "buildings or structures";
- b. one or more described "jobsites"; or
- c. any combination of "buildings or structures", described "jobsites", or coverages described under Coverage Extensions or Supplemental Coverages.

#### 5. Coinsurance

a. **When Coinsurance Applies** - "We" only pay a part of the loss if the "limit" is less than 100% of the estimated completed value of the covered "building or structure".

Coinsurance does not apply when Coinsurance Provisions Are Waived has been checked on the "schedule of coverages".

b. **How We Determine Our Part Of The Loss** - "Our" part of the loss is determined using the following steps:

- (1) determine the 100% expected completed value of the "building or structure"; this figure is based on the estimated value of the property at completion of construction had no loss occurred;
- (2) divide the "limit" for covered property by the result determined in b.(1) above; and
- (3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.(2) above.

The most "we" pay is the amount determined in b.(3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.

c. **If There Is More Than One Limit** - If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".

d. **If There Is Only One Limit** - If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.

6. **Insurance Under More Than One Coverage** - If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.

#### 7. Insurance Under More Than One Policy

- a. **Proportional Share** - "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
- b. **Excess Amount** - If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

#### LOSS PAYMENT

##### 1. Loss Payment Options

a. **Our Options** - In the event of loss covered by this coverage form, "we" have the following options:

- (1) pay the value of the lost or damaged property;
- (2) pay the cost of repairing or replacing the lost or damaged property;
- (3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
- (4) take all or any part of the property at the agreed or appraised value.

b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** - "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

##### 2. Your Losses

a. **Adjustment And Payment Of Loss** - "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.

b. **Conditions For Payment Of Loss** - An insured loss will be payable 30 days after:

- (1) a satisfactory proof of loss is received; and
- (2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

##### 3. Property Of Others

a. **Adjustment And Payment Of Loss To Property Of Others** - Losses to property of others may be adjusted with and paid to:



- (1) "you" on behalf of the owner; or
- (2) the owner.

- b. We Do Not Have To Pay You If We Pay The Owner** - If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

#### OTHER CONDITIONS

- 1. Appraisal** - If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

- 2. Benefit To Others** - Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.
- 3. Conformity With Statute** - When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.
- 4. Estates** - This provision applies only if the insured is an individual.
  - a. Your Death** - On "your" death, "we" cover the following as an insured:
    - (1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
    - (2) "your" legal representative.

This person or organization is an insured only with respect to property covered by this coverage.

- b. Policy Period Is Not Extended** - This coverage does not extend past the policy period indicated on the declarations.
- 5. Misrepresentation, Concealment, Or Fraud** - This coverage is void as to "you" and any other insured if, before or after a loss:
  - a. "You" or any other insured have willfully concealed or misrepresented:**
    - (1) a material fact or circumstance that relates to this insurance or the subject thereof; or
    - (2) "your" interest herein.
  - b. There has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.**
- 6. Policy Period** - "We" pay for a covered loss that occurs during the policy period.
- 7. Recoveries** - If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
  - a. "you" must notify "us" promptly if "you" recover property or receive payment;**
  - b. "we" must notify "you" promptly if "we" recover property or receive payment;**
  - c. any recovery expenses incurred by either are reimbursed first;**
  - d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and**
  - e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be prorated between "you" and "us" based on "our" respective interest in the loss.**
- 8. Restoration Of Limits** - Except as indicated under Limited Fungus Coverage, a loss "we" pay under this coverage does not reduce the applicable "limits".
- 9. Subrogation** - If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair your right to recover.
 

"You" may waive "your" right to recover from others in writing before a loss occurs.

**10. Suit Against Us** - No one may bring a legal action against "us" under this coverage unless:

- a. all of the "terms" of this coverage have been complied with; and
- b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

**11. Territorial Limits** - "We" cover property while in the United States of America, its territories and possessions, Canada, and Puerto Rico.

**12. Carriers For Hire** - "You" may accept bills of lading or shipping receipts issued by carriers for hire that limit their liability to less than the replacement cost or actual cash value of the covered property.

#### ADDITIONAL COVERAGE LIMITATIONS

**1. Occupancy And Use** - "We" do not provide coverage under this policy if, without "our" prior written consent, a covered "building or structure" as described under Property Covered is:

- a. occupied in whole or in part; or
- b. put to its intended use.

However, this provision does not apply if Permission To Occupy is indicated on the "schedule of coverages".

**2. When Coverage Ceases** - Coverage will end when one of the following first occurs:

- a. this policy expires or is canceled;
- b. a covered "building or structure" is accepted by the purchaser;
- c. "your" insurable interest in the covered property ceases;
- d. "you" abandon construction with no intent to complete it; or
- e. a covered "building or structure" has been completed for more than 90 days.

#### DEFINITIONS

**1. "Buildings or structures"** means:

- a. buildings;
- b. structures;
- c. materials and supplies that will become a permanent part of the buildings or the structures; and
- d. foundations, excavations, grading, filling, attachments, permanent fencing, and other permanent fixtures.

**2. "Earth movement"** means:

- a. earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. landslide, mudslide, or mudflow;
- c. mine subsidence whether or not the non-natural mine is currently in use;
- d. any other movement of earth, including sinking (other than "sinkhole collapse"), shifting, or rising of earth including, but not limited to, erosion, expansion, shrinking, freezing, thawing, improper soil compaction, and movement of water under the surface of the ground that cause cracking, settling, or shifting of foundations, buildings, or structures; or
- e. eruption, explosion, or effusion of a volcano.

**3. "Flood"** means an overflowing or inundation by water of an area that was previously and normally dry or not covered by water, whether caused artificially or naturally, by human or animal forces or by an act of nature. "Flood" includes, but is not limited to:

- a. overflow of inland or tidal waters, waves, tidal waves, or tsunamis, or spray that results from any of these, all whether driven by wind or not, including but not limited to storm surge;
- b. unusual and rapid accumulation or runoff of surface waters from any source; or
- c. mudslides or mudflows if caused by:
  - (1) unusual and rapid accumulation or runoff of surface waters or waves; or
  - (2) currents of water exceeding anticipated cyclical levels.

**4. "Fungus"** means:

- a. a fungus, including but not limited to mildew and mold;
- b. a protist, including but not limited to algae and slime mold;
- c. wet rot and dry rot;
- d. a bacterium; or
- e. a chemical, matter, or compound produced or released by a fungus, a protist, wet rot, dry rot, or a bacterium including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

**5. "Jobsite"** means any location, project, or work site where "you" are in the process of constructing, erecting, or fabricating a "building or structure".

6. "Limit" means the amount of coverage that applies.
7. "Pollutant" means:
  - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
  - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
8. "Schedule of coverages" means:
  - a. all pages labeled "schedule of coverages" or schedules that pertain to this coverage; and
  - b. declarations or supplemental declarations that pertain to this coverage.
9. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.
10. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire;

hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.

Falling objects does not include loss to:

- a. personal property in the open; or
- b. the interior of "buildings or structures" or to personal property inside "buildings or structures" unless the exterior of the roofs or walls are first damaged by a falling object.

Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.

11. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.
12. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.

"Volcanic action" does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss or damage to the covered property.



This endorsement changes the policy  
- PLEASE READ THIS CAREFULLY -

## VIRUS OR BACTERIA EXCLUSION

### DEFINITIONS

#### Definitions Amended

When "fungus" is a defined "term", the definition of "fungus" is amended to delete reference to a bacterium.

When "fungus or related perils" is a defined "term", the definition of "fungus or related perils" is amended to delete reference to a bacterium.

### PERILS EXCLUDED

The additional exclusion set forth below applies to all coverages, coverage extensions, supplemental coverages, optional coverages, and endorsements that are provided by the policy to which this endorsement is attached, including, but not limited to, those that provide coverage for property, earnings, extra expense, or interruption by civil authority.

1. The following exclusion is added under Perils Excluded, item 1.:

#### Virus or Bacteria

"We" do not pay for loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

This exclusion applies to, but not limited to, any loss, cost, or expense as a result of:

- a. any contamination by any virus, bacterium, or other microorganism; or
- b. any denial of access to property because of any virus, bacterium, or other microorganism.

2. **Superseded Exclusions** - The Virus or Bacteria exclusion set forth by this endorsement supersedes the "terms" of any other exclusions referring to "pollutants" or to contamination with respect to any loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

### OTHER CONDITIONS

#### Other Terms Remain In Effect

The "terms" of this endorsement, whether or not applicable to any loss, cost, or expense, cannot be construed to provide coverage for a loss, cost, or expense that would otherwise be excluded under the policy to which this endorsement is attached.



POLICY NUMBER: TRA 5284060

POLICY PERIOD: FROM 01/01/2012 TO 01/01/2013

**EARTHQUAKE AND FLOOD SCHEDULE**

(The entries required to complete this schedule will be shown below or on the "schedule of coverages".)

**EARTHQUAKE COVERAGE**

{ } Coverage Not Provided

{X} Coverage Provided, subject to the following "limits":

<b>Earthquake Building Limit</b>	\$ 1,000,000
<b>Earthquake Occurrence Limit</b>	\$15,000,000
<b>Earthquake Catastrophe Limit (12-month period)</b>	\$ 5,000,000
<b>Deductible Amount</b>	\$ 25,000

**FLOOD COVERAGE**

{X} Coverage Not Provided

{ } Coverage Provided, subject to the following "limits":

<b>Flood Building Limit</b>	\$
<b>Flood Occurrence Limit</b>	\$
<b>Flood Catastrophe Limit (12-month period)</b>	\$
<b>Deductible Amount</b>	\$

**DELAY IN COMPLETION****Earthquake Coverage**

{X} Coverage Not Provided For Delay in Completion

{ } Coverage Provided, Included in Earthquake Limits

{ } Coverage Provided, subject to the following **Delay in Completion Limits:**

<b>Additional Construction Expenses</b>	\$
<b>Additional Soft Costs</b>	\$
<b>Rental Income</b>	\$
<b>Income Coverage</b>	\$

**Flood Coverage**

{X} Coverage Not Provided For Delay in Completion

{ } Coverage Provided, Included in Flood Limits

{ } Coverage Provided, subject to the following **Delay in Completion Limits:**

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<b>Additional Construction Expenses</b>	\$
<b>Additional Soft Costs</b>	\$
<b>Rental Income</b>	\$
<b>Income Coverage</b>	\$



This endorsement changes the Builders' Risk Coverage  
**- PLEASE READ THIS CAREFULLY -**

## EARTHQUAKE AND FLOOD COVERAGE ENDORSEMENT

### ADDITIONAL COVERAGES

#### 1. Earthquake Coverage

- a. **Coverage** - "We" cover direct physical loss or damage to covered property caused by or resulting from earthquake and volcanic eruption.
- b. **Coverage Limitations** - "We" only cover loss caused by earthquake and volcanic eruption when Earthquake "limits" are indicated on the Earthquake And Flood Schedule.
- c. **Rehabilitation And Renovation Form** - If this endorsement is attached to the Rehabilitation And Renovation Form, the references to "building or structure" are replaced with "rehabilitation or renovation project".
- d. **Earthquake Limits** - The Earthquake Building Limit, Earthquake Occurrence Limit, and Earthquake Catastrophe Limit as described below apply to loss or damage caused by or resulting from earthquake and volcanic eruption. The Earthquake "limits" indicated on the Earthquake And Flood Schedule are the only "limits" available for loss or damage caused by or resulting from earthquake and volcanic eruption. The Earthquake "limits" cannot be combined or added to the "limit" for any Coverage Extension or Supplemental Coverage.
  - (1) **Earthquake Building Limit** - The most "we" pay in any one occurrence for loss to any one "building or structure" is the Earthquake Building Limit indicated on the Earthquake And Flood Schedule.
  - (2) **Earthquake Occurrence Limit** - The most "we" pay in any one occurrence for loss to all "buildings or structures" at all "jobsites" is the Earthquake Occurrence Limit indicated on the Earthquake And Flood Schedule.
  - (3) **Earthquake Catastrophe Limit** - The most "we" pay for all losses to all "buildings or structures" at all "jobsites" during each separate 12-month period of this policy is the Earthquake Catastrophe Limit indicated on the Earthquake And Flood Schedule. The 12-month time period

is limited to the expiration or anniversary date.

- e. **Delay In Completion** - If the Delay In Completion Coverage Part is attached to the Builders' Risk Coverage and Delay In Completion Coverage is indicated on the Earthquake And Flood Schedule, coverage under this endorsement is extended to the Delay In Completion Coverage Part, subject to the "limits" as described below:

- (1) If Delay In Completion Limits are indicated on the Earthquake And Flood Schedule, the Delay In Completion Limits on the schedule are the only "limits" that apply to a "delay" resulting from direct physical loss or damage to covered property caused by earthquake and volcanic eruption. "Limits" under Delay In Completion Limits are separate from, and not part of, the Earthquake Limits described in item 1.d.
- (2) If Included In Earthquake Limits is indicated on the Earthquake And Flood Schedule, the Earthquake Limits described in item 1.d. are the only "limits" that apply to loss or damage caused by or resulting from earthquake and volcanic eruption including "delay" resulting from loss or damage to covered property caused by earthquake and volcanic eruption.
- (3) Refer to the Delay In Completion Coverage Part for a definition of "delay".

#### 2. Flood Coverage

- a. **Coverage** - "We" cover direct physical loss or damage to covered property caused by or resulting from "flood".
- b. **Coverage Limitations** - "We" only cover loss caused by "flood" when Flood "limits" are indicated on the Earthquake And Flood Schedule.
- c. **Rehabilitation And Renovation Form** - If this endorsement is attached to the Rehabilitation And Renovation Form, the references to "building or structure" are replaced with "rehabilitation or renovation project".

**d. Flood** - The Flood Building Limit, Flood Occurrence Limit, and Flood Catastrophe Limit as described below apply to loss or damage caused by or resulting from "flood". The Flood "limits" indicated on the Earthquake And Flood Schedule are the only "limits" available for loss or damage caused by or resulting from "flood". The Flood "limits" cannot be combined or added to the "limit" for any Coverage Extension or Supplemental Coverage.

- (1) **Flood Building Limit** - The most "we" pay in any one occurrence for loss to any one "building or structure" is the Flood Building Limit indicated on the Earthquake And Flood Schedule.
- (2) **Flood Occurrence Limit** - The most "we" pay in any one occurrence for loss to all "buildings or structures" at all "jobsites" is the Flood Occurrence Limit indicated on the Earthquake And Flood Schedule.
- (3) **Flood Catastrophe Limit** - The most "we" pay for all losses to all "buildings or structures" at all "jobsites" during each separate 12-month period of this policy is the Flood Catastrophe Limit indicated on the Earthquake And Flood Schedule. The 12-month time period is limited to the expiration or anniversary date.

**e. Delay In Completion** - If the Delay In Completion Coverage Part is attached to the Builders' Risk Coverage and Delay In Completion Coverage is indicated on the Earthquake And Flood Schedule, coverage under this endorsement is extended to the Delay In Completion Coverage Part, subject to the "limits" as described below:

- (1) If Delay In Completion Limits are indicated on the Earthquake And Flood Schedule, the Delay In Completion Limits on the schedule are the only

"limits" that apply to a "delay" resulting from direct physical loss or damage to covered property caused by "flood". "Limits" under Delay In Completion Limits are separate from, and not part of, the Flood Limits described in item 2.d.

- (2) If Included In Flood Limits is indicated on the Earthquake And Flood Schedule, the Flood Limits described in item 2.d. are the only "limits" that apply to loss or damage caused by or resulting from "flood" including "delay" resulting from loss or damage to covered property caused by "flood".
- (3) Refer to the Delay In Completion Coverage Part for a definition of "delay".

#### **PERILS EXCLUDED**

The exclusions for Earth Movement and Flood still apply except to the extent that coverage is provided under this endorsement.

#### **HOW MUCH WE PAY**

The following are added to How Much We Pay:

1. **Deductible** - "We" pay only that part of "your" loss over the deductible amount indicated on the Earthquake And Flood Schedule in any one occurrence.
2. **Earthquake Period** - All earthquakes or volcanic eruptions that occur within a 168-hour period will be considered a single loss. This 168-hour period is not limited by the policy expiration.
3. **Excess Insurance** - "You" may purchase insurance in excess of the applicable "limit". Such excess insurance will not be considered in applying insurance Under More Than One Policy nor will it be considered in the application of any pro rata or apportionment provision.

POLICY NUMBER: TRA 5284060

POLICY PERIOD: FROM 01/01/2012 TO 01/01/2013

## SCHEDULE OF COVERAGES CONTRACTORS' EQUIPMENT

(The entries required to complete this schedule  
will be shown below or on the "schedule of coverages".)

**PROPERTY COVERED**

(check one)

{X} Scheduled Equipment (Refer to Equipment Schedule)

{ } Schedule On File

	Limit
<b>Catastrophe Limit</b> -- The most "we" pay for loss in any one occurrence is:	\$ 160,149

**COVERAGE EXTENSIONS**

Additional Debris Removal Expenses	\$ 5,000
------------------------------------	----------

**SUPPLEMENTAL COVERAGES**

Employee Tools	\$ 5,000
----------------	----------

Equipment Leased or Rented From Others	\$ 650,000
--	------------

Newly Purchased Equipment (check one)

{X}Percentage of Catastrophe Limit	30%
------------------------------------	-----

{ }Dollar Limit	\$
-----------------	----

Pollutant Cleanup and Removal	\$ 25,000
-------------------------------	-----------

Rental Reimbursement

-- Reimbursement Limit	\$ 5,000
------------------------	----------

-- Waiting Period	72 hrs
-------------------	--------

Spare Parts and Fuel	\$ 5,000
----------------------	----------

**COINSURANCE**

(check one)

{ } 80% { } 90% {X} 100% { } Other %

**REPORTING CONDITIONS**

(check if applicable)

{ } Equipment Leased or Rented From Others

-- Reporting Rate

-- Deposit Premium	\$
--------------------	----

-- Minimum Premium	\$
--------------------	----

**VALUATION**

(check if applicable)

{ } Actual Cash Value { } Replacement Cost

{X} Indicated on Equipment Schedule

---

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**DEDUCTIBLE**

(check one)

☒ Flat Deductible Amount

Refer to form CM7162

☐ Percentage Deductible

%

Maximum Deductible Amount

\$

Minimum Deductible Amount

\$

**OPTIONAL COVERAGES AND ENDORSEMENTS**

IM7037	0906*, IM7005	0404*, IM7000	0404*, IM7017	0604*, CM7164	0811*,
CL0700	1006*, IM2027	0809*, IM7902	0404*, IM7854	0808*, CM7162	0611*.





POLICY NUMBER: TRA 5284060

POLICY PERIOD: FROM 01/01/2012 TO 01/01/2013

# **EQUIPMENT SCHEDULE CONTRACTORS' EQUIPMENT VALUATION BASIS**

(The entries required to complete this schedule  
will be shown below or on the "schedule of coverages".)

**SCHEDULED EQUIPMENT**

ACV = Actual Cash Value  
AA = Agreed Amount

RP = Replacement Cost

Item # Description of Equipment

01 SCHEDULED EQUIPMENT LISTED ON FILE WITH THE HOME OFFICE

Limit \$ 35,417 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

02 MISC EQUIPMENT WITH VALUES LESS THAN \$1,000 PER ANY ONE  
ITEM

Limit \$ 42,674 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

03 TRIPOD AND WINCH

Limit \$ 1,303 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

04 HILTI TE 76P ATC ROTARY HAMMER AND BITS  
39613

Limit \$ 1,590 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

05 4 SMOOTH SWIVEL- TOP STEEL ROLLER DOLLY 5KLB STEERING HANDLE

Limit \$ 1,180 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

06 VIBRATOR HIGH CYCLE 18'

Limit \$ 1,750 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

07 RE-BAR TYING TOOL  
06904612E

Limit \$ 2,775 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

08 HONDA EB5000 GENERATOR  
1028761

Limit \$ 1,867 Valuation ACV Deductible \$ 1,000



Item # Description of Equipment

09 25 INSULATED BLANKET 6'X 25'

Limit \$ 1,052 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

10 30 INSULATED BLANKET 6'X 25'

Limit \$ 1,262 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

11 50 INSULATED BLANKET 6' X 25'

Limit \$ 2,117 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

12 TOPCON RT-H3CL LAZER

1D8192

Limit \$ 1,282 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

13 450 WHALER CLAMPS

Limit \$ 1,350 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

14 2500 SHORT WEDGE BOLTS

Limit \$ 1,875 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

15 2001 CATERPILLAR TH-60 ROUGH

TERRIAN TELESCOPING FORKLIFT  
CAT0TH63K5WM06811

Limit \$ 30,000 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

16 8' X 30' MOBILE OFFICE TRAILER

OS0834  
AMI34566

Limit \$ 3,317 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

17 HILTI TE7-C

020172089CK06

Limit \$ 1,928 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

18 1 SAFLOCK T60 W PUSH TROLLEY

Limit \$ 1,250 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

19 2-3 TON HARRINGTON CF HOIST 20' LIFT

Limit \$ 2,951 Valuation ACV Deductible \$ 1,000



Item # Description of Equipment

20 1- 2 TON MODELR LODESTAR HOIST

Limit \$ 4,000 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

21 WELDING CABLE 100'

Limit \$ 5,700 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

22 1- TRAILER 8.5' X 20'

Limit \$ 3,000 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

23 1 90LB JACK HAMMER

Limit \$ 5,000 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

24 1 CONCRETE CORING TOOL AND BIT

Limit \$ 2,795 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

25 1 HILTI TE 1500 AVR

020011791LL09

Limit \$ 1,635 Valuation ACV Deductible \$ 1,000

Item # Description of Equipment

26 1 14' STIHL TS700 800 CUTQUIK

170501192

Limit \$ 1,079 Valuation ACV Deductible \$ 1,000



This endorsement changes the  
Contractors' Equipment Coverage  
- PLEASE READ THIS CAREFULLY -

## EQUIPMENT BORROWED FROM OTHERS

(The entries required to complete this endorsement  
will be shown below or on the "schedule of coverages".)

### SCHEDULE

	Limit
<b>Per Item Limit</b> - The most "we" pay for loss to any one item of borrowed equipment is:	\$ 350,000
<b>Occurrence Limit</b> - The most "we" pay in any one occurrence for loss to all borrowed equipment is:	\$ 700,000

### COVERAGE EXTENSIONS

#### Equipment Borrowed From Others

1. **Coverage** - "We" cover direct physical loss caused by a covered peril to "contractors' equipment" that "you" borrow from another contractor or individual.
2. **Coverage Limitation** - "We" only cover loss to borrowed equipment that is:
  - a. similar to "your" "contractors' equipment"; and
  - b. not described on the "equipment schedule" or otherwise scheduled.





## CONTRACTORS' EQUIPMENT COVERAGE

### AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Contractors' Equipment Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

### DEFINITIONS

1. The words "you" and "your" mean the persons or organizations named as the insured on the declarations.
2. The words "we", "us", and "our" mean the company providing this coverage.
3. "Contractors' equipment" means machinery, equipment, and tools of a mobile nature that "you" use in "your" contracting, installation, erection, repair, or moving operations or projects.  
"Contractors' equipment" also means:
  - a. self-propelled vehicles designed and used primarily to carry mounted equipment; or
  - b. vehicles designed for highway use that are unlicensed and not operated on public roads.
4. "Equipment schedule" means a schedule of "contractors' equipment" that is attached to this policy and that describes each piece of covered equipment.
5. "Jobsite" means any location, project, or work site where "you" are in the process of construction, installation, erection, repair, or moving.
6. "Limit" means the amount of coverage that applies.
7. "Pollutant" means:
  - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste

includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and

- b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.

#### 8. "Schedule of coverages" means:

- a. all pages labeled schedule of coverages or schedules which pertain to this coverage; and
- b. declarations or supplemental declarations which pertain to this coverage.

#### 9. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.

#### 10. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.

Falling objects does not include loss to:

- a. personal property in the open; or
- b. the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object.

Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.

#### 11. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.

#### 12. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.

Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss or damage to the covered property.

**PROPERTY COVERED**

"We" cover the following property unless the property is excluded or subject to limitations.

**1. Scheduled Equipment**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to:

- (1) "your" "contractors' equipment"; and
- (2) "contractors' equipment" of others in "your" care, custody, or control.

- b. **Coverage Limitation** - "We" only cover "your" "contractors' equipment" and "contractors' equipment" of others:

- (1) that are described on the "equipment schedule"; and
- (2) when Scheduled Equipment is indicated on the "schedule of coverages".

**2. Schedule On File**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to:

- (1) "your" "contractors' equipment"; and
- (2) "contractors' equipment" of others in "your" care, custody, or control.

- b. **Coverage Limitation** - "We" only cover "your" "contractors' equipment" and "contractors' equipment" of others:

- (1) that are listed in a schedule which "you" must submit to "us" and "we" keep on file, the schedule must contain a description of each item to be covered and a "limit" for each item; and
- (2) when Schedule on File is indicated on the "schedule of coverages".

**PROPERTY NOT COVERED**

1. **Aircraft Or Watercraft** - "We" do not cover aircraft or watercraft.
2. **Contraband** - "We" do not cover contraband or property in the course of illegal transportation or trade.
3. **Leased Or Rented Property** - "We" do not cover property that "you" lease or rent to others.
4. **Loaned Property** - "We" do not cover property that "you" loan to others.
5. **Underground Mining Operations** - "We" do not cover property while stored or operated underground in connection with any mining operations.
6. **Vehicles** - "We" do not cover automobiles, motor trucks, tractors, trailers, and similar

conveyances designed for highway use and used for over the road transportation of people or cargo. However, this does not include:

- a. self-propelled vehicles designed and used primarily to carry mounted equipment; or
- b. vehicles designed for highway use that are unlicensed and not operated on public roads.

7. **Waterborne Property** - "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.

**COVERAGE EXTENSIONS**

**Provisions That Apply To Coverage Extensions** - The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

**Debris Removal**

1. **Coverage** - "We" pay the cost to remove the debris of covered property that is caused by a covered peril.
2. **We Do Not Cover** - This coverage does not include costs to:
  - a. extract "pollutants" from land or water; or
  - b. remove, restore, or replace polluted land or water.
3. **Limit** - "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.

4. **Additional Limit** - "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
5. **You Must Report Your Expenses** - "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

## SUPPLEMENTAL COVERAGES

### Provisions That Apply To Supplemental Coverages

- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following supplemental coverages are not subject to and not considered in applying coinsurance conditions.

### 1. Employee Tools

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to tools owned by "your" employees.
- b. **Coverage Limitation** - "We" only cover tools owned by "your" employees while at a:
  - (1) premises that "you" own or operate; or
  - (2) "jobsite".

- c. **Limit** - The most "we" pay in any one occurrence for loss to employee tools is \$5,000.

### 2. Equipment Leased Or Rented From Others -

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to "contractors' equipment" that "you" have leased or rented from others.
- b. **Limit** - The most "we" pay in any one occurrence for equipment leased or rented from others is \$25,000.

### 3. Newly Purchased Property

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to additional "contractors' equipment" that "you" purchase during the policy period.
- b. **Limit** - The most that "we" pay for any loss under this supplemental coverage is the least of the:
  - (1) actual cash value of the covered property; or
  - (2) "limit" for newly purchased property indicated on the "schedule of coverages". If no "limit" is indicated, then 30% of the Catastrophe Limit indicated on the "schedule of coverages" applies to this coverage.
- c. **Time Limitation** - "We" extend coverage to the additional "contractors' equipment" that "you" purchase for up to 60 days.  
This supplemental coverage will end when any of the following first occur:
  - (1) this policy expires;
  - (2) 60 days after "you" obtain the additional "contractors' equipment"; or
  - (3) "you" report the additional "contractors' equipment" to "us".
- d. **Additional Premium** - "You" must pay any additional premium due from the date "you" purchase the additional "contractors' equipment".

### 4. Pollutant Cleanup And Removal

- a. **Coverage** - "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** - The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.

- c. **We Do Not Cover** - "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.

- d. **Limit** - The most "we" pay for each location is \$25,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

## 5. Rental Reimbursement

- a. **Coverage** - In the event of a direct physical loss by a covered peril to "your" "contractors' equipment", "we" reimburse "you" for "your" expense to rent similar equipment while "your" equipment is inoperable.

The deductible amount indicated on the "schedule of coverages" does not apply to a loss covered under this supplemental coverage.

- b. **Waiting Period** - "We" will not reimburse "you" for the rental of equipment until after the first 72-hours (unless otherwise indicated on the "schedule of coverages") following the direct physical loss to "your" "contractors' equipment" caused by a covered peril.

- c. **Incurred Rental Expenses** - After the waiting period has passed, "we" will only reimburse "you" for the rental expenses that "you" actually incur.

- d. **Coverage After Expiration Date** - "We" will continue to reimburse "you" for the rental of equipment after the expiration date of this coverage, provided the loss occurred before the expiration date.

- e. **Coverage Limitations** - "We" will not reimburse "you":

- (1) if "you" can continue or resume "your" operations with similar equipment that is available to "you" at no additional expense to "you"; or

- (2) for the rental expense of any equipment unless "you" make every reasonable effort to repair, replace, or rebuild the inoperable equipment after the loss by a covered peril occurs.

- f. **Limit** - The most "we" reimburse "you" in any one occurrence for rental expenses is \$5,000.

## 6. Spare Parts And Fuel

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to:

- (1) spare parts and accessories for "contractors' equipment"; and

- (2) fluids for vehicles and "contractors' equipment"; fluids include gasoline, oil, and hydraulic fluid.

- b. **Limit** - The most "we" pay in any one occurrence for loss to spare parts and accessories is \$5,000.

## PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

## PERILS EXCLUDED

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

- a. **Civil Authority** - "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

- b. **Nuclear Hazard** - "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

- c. **War And Military Action** - "We" do not pay for loss caused by:

- (1) war, including undeclared war or civil war; or

- (2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or

- (3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

- a. **Contamination or Deterioration** - "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in the covered property that causes it to damage or destroy itself.

But if contamination or deterioration results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- b. **Criminal, Fraudulent, Dishonest Or Illegal Acts** - "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

- (1) "you";
- (2) others who have an interest in the property;
- (3) others to whom "you" entrust the property;
- (4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
- (5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- c. **Loss Of Use** - "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.

- d. **Mechanical Breakdown** - "We" do not pay for loss caused by any mechanical, structural, or electrical breakdown or malfunction including a breakdown or malfunction resulting from a structural, mechanical, or reconditioning process.

But if a mechanical, structural, or electrical breakdown or malfunction results

in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- e. **Missing Property** - "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- f. **Pollutants** - "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":

(1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or

(2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril".

- g. **Temperature/Humidity** - "We" do not pay for loss or damage caused by dryness, dampness, humidity, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- h. **Voluntary Parting** - "We" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

- i. **Wear And Tear** - "We" do not pay for loss caused by wear and tear, marring, or scratching.

But if wear and tear, marring, or scratching results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

#### WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** - In case of a loss, "you" must:

- a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
- b. give notice to the police when the act that causes the loss is a crime.



2. **You Must Protect Property** - "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
    - a. **Payment Of Reasonable Costs** - "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".
    - b. **We Do Not Pay** - "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.
  3. **Proof Of Loss** - "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
    - a. the time, place, and circumstances of the loss;
    - b. other policies of insurance that may cover the loss;
    - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
    - d. changes in title of the covered property during the policy period; and
    - e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.
  4. **Examination** - "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
  5. **Records** - "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
  6. **Damaged Property** - "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
  7. **Volunteer Payments** - "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
  8. **Abandonment** - "You" may not abandon the property to "us" without "our" written consent.
  9. **Cooperation** - "You" must cooperate with "us" in performing all acts required by this policy.
- VALUATION**
1. **Actual Cash Value** - The value of covered property will be based on the actual cash value at the time of the loss (with a deduction for depreciation) unless replacement cost is indicated on the "schedule of coverages".
  2. **Replacement Cost** - The value of covered property will be based on replacement cost without any deduction for depreciation unless Actual Cash Value is indicated on the "schedule of coverages".
    - a. **Replacement Cost Limitation** - The replacement cost is limited to the cost of repair or replacement with similar materials and used for the same purpose. The payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.
    - b. **Replacement Cost Does Not Apply Until Repair Or Replacement** - Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.
    - c. **Time Limitation** - "You" may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if "you" notify "us" of "your" intent within 180 days after the loss.
  3. **Pair Or Set** - The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.
  4. **Loss To Parts** - The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.
- HOW MUCH WE PAY**
1. **Insurable Interest** - "We" do not cover more than "your" insurable interest in any property.
  2. **Flat Deductible** - "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence unless Percentage Deductible is indicated on the "schedule of coverages".
  3. **Percentage Deductible** - When a percentage deductible is indicated on the "schedule of coverages", "we" pay only that part of "your" loss over the deductible amount as determined below.

- a. **Determining The Deductible Amount** - The deductible amount is determined by applying the percentage indicated on the "schedule of coverages" to the value of the covered property that is involved in the loss. The value is determined by the provisions described under the Valuation section of this policy.
  - b. **Two Or More Items** - If a loss involves two or more pieces of equipment, the percentage indicated on the "schedule of coverages" will apply only to the covered property with the highest value.
  - c. **Minimum and Maximum Deductible** - The percentage deductible will not exceed the Maximum Deductible amount and will not be less than the Minimum Deductible amount indicated on the "schedule of coverages".
4. **Loss Settlement Terms** - Subject to paragraphs 1., 2., 3., 5., 6., and 7., under How Much We Pay, "we" pay the lesser of:
- a. the amount determined under Valuation;
  - b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
  - c. the "limit" that applies to the covered property. However, the most "we" pay for loss in any one occurrence is the Catastrophe Limit indicated on the "schedule of coverages".
5. **Coinsurance**
- a. **When Coinsurance Applies** - "We" only pay a part of the loss if the "limit" is less than the percentage of the value of the covered property that is indicated on the "schedule of coverages".
  - b. **How We Determine Our Part Of The Loss** - "Our" part of the loss is determined using the following steps:
    - (1) multiply the percent indicated on the "schedule of coverages" by the value of the covered property at the time of loss;
    - (2) divide the "limit" for covered property by the result determined in b.1) above;
    - (3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.2) above.

The most "we" pay is the amount determined in b.3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.
- c. **If There Is More Than One Limit** - If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".
  - d. **If There Is Only One Limit** - If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.
  - e. **When Coinsurance Does Not Apply** - Conditions for coinsurance do not apply unless a coinsurance percentage is indicated on the "schedule of coverages".
6. **Insurance Under More Than One Coverage** - If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.
7. **Insurance Under More Than One Policy**
- a. **Proportional Share** - "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
  - b. **Excess Amount** - If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

## LOSS PAYMENT

### 1. Loss Payment Options

- a. **Our Options** - In the event of loss covered by this coverage form, "we" have the following options:
  - (1) pay the value of the lost or damaged property;
  - (2) pay the cost of repairing or replacing the lost or damaged property;
  - (3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
  - (4) take all or any part of the property at the agreed or appraised value.
- b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** - "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

**2. Your Losses**

- a. **Adjustment And Payment Of Loss** - "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.
- b. **Conditions For Payment Of Loss** - An insured loss will be payable 30 days after:
  - (1) a satisfactory proof of loss is received; and
  - (2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

**3. Property Of Others**

- a. **Adjustment And Payment Of Loss To Property Of Others** - Losses to property of others may be adjusted with and paid to:
  - (1) "you" on behalf of the owner; or
  - (2) the owner.
- b. **We Do Not Have To Pay You If We Pay The Owner** - If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

**REPORTING CONDITIONS**

**Equipment Leased Or Rented From Others** - If indicated on the "schedule of coverages", the following reporting conditions apply.

**1. Reports**

- a. **You Will Report to Us** - Within 30 days after the end of the policy period, "you" will report to "us" the total amount of "your" expenditures for "contractors' equipment" that "you" lease or rent from others.
- b. **Cancellation** - If this policy is canceled, "you" will report the total amount of expenditures up to and including the date of cancellation.

**2. Premium Computation And Adjustment**

- a. The premium will be adjusted at the end of the policy period. The total computed premium will be determined by multiplying "your" total equipment expenditures by the reporting rate indicated on the "schedule of coverages" for Equipment Leased or Rented From Others.
- b. "We" will compare the total computed premium to the deposit premium. If it is more than the deposit premium, "you" will pay "us" the difference. If it is less than the deposit premium, "we" will pay "you" the difference subject to the mini-

mum premium indicated on the "schedule of coverages".

**3. Provisions That Affect How Much We Pay** - The following provisions apply to reports that are submitted and may affect How Much We Pay:

- a. **Failure To Submit Reports** - If "you" have failed to submit the required reports or no report has been submitted, the most "we" will pay is 90% of the "limit".
- b. **Reported Values Are Less Than The Full Value** - If "your" last report before a loss shows less than the actual value of "your" expenditures for "contractors' equipment" that "you" lease or rent from others, "we" will only pay a part of the loss. "We" will not pay a greater portion of the loss, prior to the application of the deductible, than the total expenditures "you" reported divided by "your" actual expenditures for "contractors' equipment" that "you" lease or rent from others during the reporting period.
- c. **We Will Not Pay More Than The Limit** - "We" will not pay more than the applicable "limit" regardless of any reported value used in computing the premium.

**OTHER CONDITIONS**

- 1. **Appraisal** - If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".



2. **Benefit To Others** - Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.
3. **Conformity With Statute** - When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.
4. **Estates** - This provision applies only if the insured is an individual.
  - a. **Your Death** - On "your" death, "we" cover the following as an insured:
    - (1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
    - (2) "your" legal representative.

This person or organization is an insured only with respect to property covered by this coverage.
  - b. **Policy Period Is Not Extended** - This coverage does not extend past the policy period indicated on the declarations.
5. **Misrepresentation, Concealment, Or Fraud** - This coverage is void as to "you" and any other insured if, before or after a loss:
  - a. "you" or any other insured have willfully concealed or misrepresented:
    - (1) a material fact or circumstance that relates to this insurance or the subject thereof; or
    - (2) "your" interest herein.
  - b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.
6. **Policy Period** - "We" pay for a covered loss that occurs during the policy period.
7. **Recoveries** - If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
  - a. "you" must notify "us" promptly if "you" recover property or receive payment;
    - b. "we" must notify "you" promptly if "we" recover property or receive payment;
    - c. any recovery expenses incurred by either are reimbursed first;
    - d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and
    - e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be prorated between "you" and "us" based on "our" respective interest in the loss.
8. **Restoration Of Limits** - A loss "we" pay under this coverage does not reduce the applicable "limit" unless it is a total loss to a scheduled item. In the event of a total loss to a scheduled item, "we" refund the unearned premium on that item.
9. **Subrogation** - If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.
10. **Suit Against Us** - No one may bring a legal action against "us" under this coverage unless:
  - a. all of the "terms" of this coverage have been complied with; and
  - b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.
11. **Territorial Limits** - "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.



This endorsement changes the Contractors' Equipment Coverage  
- PLEASE READ THIS CAREFULLY -

## **WEIGHT OF LOAD EXCLUSION**

### **ADDITIONAL PERILS EXCLUDED**

The following exclusion is added under Perils Excluded, item 2:

**Weight of Load** - "We" do not pay for loss caused by the weight of a load which, under the operating conditions at the time of a loss, exceeds the registered lifting capacity of the equipment.



This endorsement changes the  
Contractors' Equipment Coverage  
- PLEASE READ THIS CAREFULLY -

## **BELOW THE SURFACE OF THE GROUND EXCLUSION**

### **ADDITIONAL PROPERTY NOT COVERED**

The following exclusion is added under Property Not Covered:

**Equipment Below The Surface Of The Ground** - "We" do not cover equipment or attachments while below the surface of the ground or equipment underground including, but not limited to, drilling equipment below the surface of the ground or underground during drilling operations.

This exclusion does not apply to buckets or other attachments to an excavator, backhoe, or similar equipment used for excavations or trenching.

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**CM 71 64 08 11**



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## LOSS PAYABLE SCHEDULE

(The entires required to complete this schedule  
will be shown below or on the "schedule of coverages".)

Indicate applicable provision:

- ☒ Loss Payable  
☐ Lender's Loss Payable  
☐ Contract of Sale

---

### SCHEDULE

---

Location  
Number  
001

Address  
ALL COVERED LOCATIONS

Covered Property  
LEASED/RENTED  
EQUIPMENT

Name and Address of Loss Payee  
SUNBELT RENTALS INC  
2341 DEERFIELD DR  
FORT MILL, SC 29716





## LOSS PAYABLE SCHEDULE

(The entires required to complete this schedule  
will be shown below or on the "schedule of coverages".)

Indicate applicable provision:

- ☒ Loss Payable  
☐ Lender's Loss Payable  
☐ Contract of Sale

---

### SCHEDULE

---

Location  
Number  
001

Address  
ALL COVERED LOCATIONS

Covered Property  
LEASED/RENTED  
EQUIPMENT

Name and Address of Loss Payee  
BURRIS EQUIPMENT CO  
700 LARAWAY RD  
FRANKFORT, IL 80423



This endorsement changes the Inland Marine Coverage  
- PLEASE READ THIS CAREFULLY -

## LOSS PAYABLE OPTIONS

If indicated on the Loss Payable Schedule, the following conditions apply to the property described on the schedule. The following conditions apply in addition to the policy "terms" which are contained in the Inland Marine Coverage(s).

### LOSS PAYABLE

Any loss will be adjusted with "you" and will be payable to "you" and the loss payee described on the schedule as "your" and their interests appear.

### LENDER'S LOSS PAYABLE

Any loss will be payable to "you" and the loss payee described on the schedule as interests appear. If more than one loss payee is named, they will be paid in order of precedence.

The insurance for the loss payee continues in effect even when "your" insurance may be void because of "your" acts, neglect, or failure to comply with the coverage "terms". The insurance for the loss payee does not continue in effect if the loss payee is aware of changes in ownership or substantial increase in risk and does not notify "us".

"We" may request payment of the premium from the loss payee, if "you" fail to pay the premium.

If "we" pay the loss payee for a loss where "your" insurance may be void, the loss payee's right to collect that portion of the debt from "you" then belongs to "us". This does not affect the loss payee's right to collect the remainder of the debt from "you". As an alternative, "we" may pay the loss payee the remaining principal and accrued interest in return for a full assignment of the loss payee's interest and any instruments given as security for the debt.

### CONTRACT OF SALE

Any loss will be adjusted with "you" and will be payable to "you" and the loss payee described on the schedule as "your" and their interests appear.

The loss payee shown on the schedule is a person or organization "you" have entered into a contract with for the sale of covered property.

When covered property is the subject of a contract of sale, the word "you" also means the loss payee.

### CANCELLATION OR NONRENEWAL

If "we" cancel or choose not to renew this policy, "we" will provide notice to the loss payee using the same "terms" as the cancellation or nonrenewal notice "we" provide to "you".



**CRIME COVERAGE**

**CRIME COVERAGE**

**CRIME COVERAGE**



**WESTFIELD****INSURANCE**

Sharing Knowledge. Building Trust.®

**RENEWAL  
CRIME AND FIDELITY COVERAGE PART DECLARATION  
(COMMERCIAL ENTITIES)**

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13**at 12:01 A.M. at your mailing address  
shown above.****Insuring Agreements**

4. Inside The Premises-Robbery Or  
Safe Burglary Of Other Property  
6. Computer Fraud  
7. Funds Transfer Fraud

**Limit of Insurance  
Per Occurrence**

\$ 10,000

\$ 25,000

\$ 25,000

**Deductible Amount  
Per Occurrence**

\$ 1,000

\$ 1,000

\$ 1,000

**\*Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for  
Coverages and Limits of Insurance.\***

Note: Employee Theft, Forgery Or Alterations, Inside The Premises - Theft Of  
Money And Securities and Outside The Premises included in the schedule(s) apply  
on a policy-level basis.

Coverage is Written:



Primary



Excess



Coindemnity



Concurrent

**Total Advance Annual Crime Premium**

\$

135.00

**Forms and Endorsements forming part of this policy coverage when issued:**  
CR7000 1010\*, CR0021 0506\*, CR0202 1010\*.

**CANCELLATION OF PRIOR INSURANCE ISSUED BY US:**

By acceptance of this Coverage Part / Policy you give us notice cancelling prior  
policy Nos. \_\_\_\_\_; the cancellation to be effective at the  
time this Coverage Part become effective.





## COMMERCIAL CRIME COVERAGE FORM (LOSS SUSTAINED FORM)

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is or is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F, Definitions.

### A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which a Limit of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations, except as provided in Condition E.1.k. or E.1.l., which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition E.1.g.:

#### 1. Employee Theft

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

#### 2. Forgery Or Alteration

a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you; or
- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated to the same as the original it replaced.

b. If you are sued for refusing to pay any instrument covered in Para-

graph 2.a., on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this Insuring Agreement.

#### 3. Inside The Premises - Theft Of Money And Securities

a. We will pay for loss of "money" and "securities" inside the "premises" or "banking premises"

- (1) Resulting directly from "theft" committed by a person present inside such "premises" or "banking premises"; or
- (2) Resulting directly from disappearance or destruction.

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

c. We will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from an actual or attempted "theft" of or unlawful entry into those containers.

#### 4. Inside the Premises - Robbery Or Safe Burglary Of Other Property

a. We will pay for loss of or damage to "other property":

- (1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or
- (2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.

- c. We will pay for loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

#### 5. Outside The Premises

- a. We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.
- b. We will pay for loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

#### 6. Computer Fraud

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from the use of any computer to fraudulently cause a transfer of that property from inside the "premises" or "banking premises":

- a. To a person (other than a "messenger") outside those "premises"; or
- b. To a place outside those "premises".

#### 7. Funds Transfer Fraud

We will pay for loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

#### 8. Money Orders And Counterfeit Money

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

- a. Money orders issued by any post office, express company or bank that are not paid upon presentation; or
- b. "Counterfeit money" that is acquired during the regular course of business.

#### B. Limit Of Insurance

The most we will pay for all loss resulting directly from an "occurrence" is the applicable Limit of Insurance shown in the Declarations.

If any loss is covered under more than one Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest Limit of Insurance available under any

one of those Insuring Agreements or Coverages.

#### C. Deductible

We will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

#### D. Exclusions

1. This insurance does not cover:

##### a. Acts Committed By You, Your Partners Or Your Members

Loss resulting from "theft" or any other dishonest act committed by:

- (1) You; or
- (2) Any of your partners or "members";

whether acting alone or in collusion with other persons.

##### b. Acts of Employees Learned Of By You Prior To The Policy Period

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this insurance and you or any of your partners, "members", "managers", officers, directors or trustees, not in collusion with the "employee", learned of that "theft" or dishonest act prior to the Policy Period shown in the Declarations.

##### c. Acts Of Employees, Managers, Directors, Trustees Or Representatives

Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:

- (1) Whether acting alone or in collusion with other persons; or
- (2) While performing services for you or otherwise;

except when covered under Insuring Agreement A.1.

##### d. Confidential Information

Loss resulting from:

- (1) The unauthorized disclosure of your confidential information including, but not limited to, patents, trade secrets, processing methods or customer lists; or

- (2) The unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information.
- e. Governmental Action**
- Loss resulting from seizure or destruction of property by order of governmental authority.
- f. Indirect Loss**
- Loss that is an indirect result of an "occurrence" covered by this insurance including, but not limited to, loss resulting from:
- (1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".
  - (2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
  - (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
- g. Legal Fees, Costs And Expenses**
- Fees, costs and expenses incurred by you which are related to any legal action, except when covered under Insuring Agreement A.2.
- h. Nuclear Hazard**
- Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.
- i. Pollution**
- Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- j. War And Military Action**
- Loss or damage resulting from:
- (1) War, including undeclared or civil war;
  - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or authority using military personnel or other agents; or
  - (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- 2. Insuring Agreement A.1. does not cover:**
- a. Inventory Shortages**
- Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
- (1) An inventory computation; or
  - (2) A profit and loss computation.
- However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
- b. Trading**
- Loss resulting from trading, whether in your name or in a genuine or fictitious account.
- c. Warehouse Receipts**
- Loss resulting from the fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.
- 3. Insuring Agreements A.3., A.4. and A.5. do not cover:**
- a. Accounting Or Arithmetical Errors Or Omissions**
- Loss resulting from accounting or arithmetical errors or omissions.
- b. Exchanges Or Purchases**
- Loss resulting from the giving or surrendering of property in any exchange or purchase.
- c. Fire**
- Loss or damage resulting from fire, however caused, except:
- (1) Loss of or damage to "money" and "securities"; and

- (2) Loss from damage to a safe or vault.

**d. Money Operated Devices**

Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

**e. Motor Vehicles Or Equipment And Accessories**

Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.

**f. Transfer Or Surrender Of Property**

- (1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":

- (a) On the basis of unauthorized instructions;
- (b) As a result of a threat to do bodily harm to any person; or
- (c) As a result of a threat to do damage to any property;
- (d) As a result of a threat to introduce a denial of service attack into your computer system;
- (e) As a result of a threat to introduce a virus or other malicious instruction into your computer system which is designed to damage, destroy or corrupt data or computer programs stored within your computer system;
- (f) As a result of a threat to contaminate, pollute or render substandard your products or goods; or
- (g) As a result of a threat to disseminate, divulge or utilize;
  - (i) Your confidential information; or
  - (ii) Weaknesses in the source code within your computer system.

- (2) But, this Exclusion does not apply under Insuring Agreement A.5. to loss of "money", "securi-

ties" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

- (a) Had no knowledge of any threat at the time the conveyance began; or
- (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

**g. Vandalism**

Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.

**h. Voluntary Parting Of Title To Or Possession Of Property**

Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

**4. Insuring Agreement A.6. does not cover:**

**a. Credit Card Transactions**

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

**b. Funds Transfer Fraud**

Loss resulting from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

**c. Inventory Shortages**

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

**5. Insuring Agreement A.7. does not cover:**

**COMPUTER FRAUD**

Loss resulting from the use of any computer to fraudulently cause a transfer of "money", "securities" or "other property".

**E. Conditions**

The following Conditions apply in addition to the Common Policy Conditions:

**1. Conditions Applicable To All Insuring Agreements**

**a. Additional Premises Or Employees**

If, while this insurance is in force, you establish any additional "premises" or hire additional "employees", other than through consolidation or merger with, or purchase or acquisition of assets or liabilities of, another entity, such "premises" and "employees" shall automatically be covered under this insurance. Notice to us of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the Policy Period shown in the Declarations.

**b. Concealment, Misrepresentation Or Fraud**

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other Insured, at any time, intentionally conceal or misrepresent a material fact concerning:

- (1) This insurance;
- (2) The property covered under this insurance;
- (3) Your interest in the property covered under this insurance; or
- (4) A claim under this insurance.

**c. Consolidation - Merger Or Acquisition**

If you consolidate or merge with, or purchase or acquire the assets or liabilities of, another entity:

- (1) You must give us written notice as soon as possible and obtain our written consent to extend the coverage provided by this insurance to such consolidated or merged entity or such purchased or acquired assets or liabilities. We may condition our consent by requiring payment of an additional premium; but
- (2) For the first 90 days after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities, the coverage provided by this insurance shall apply to such consolidated or merged entity or such purchased or acquired assets or liabilities provided that all "occurrences" causing or contributing to a loss involving such consolidation,

merger or purchase or acquisition or assets or liabilities, must take place after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities.

**d. Cooperation**

You must cooperate with us in all matters pertaining to this insurance as stated in the terms and conditions.

**e. Duties In The Event Of Loss**

After you discover a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" you must:

- (1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Insuring Agreement A.1. or A.2.) involves a violation of law, you must also notify the local law enforcement authorities.
- (2) Submit to examination under oath at our request and give us a signed statement of your answers.
- (3) Produce for our examination all pertinent records.
- (4) Give us a detailed, sworn proof of loss within 120 days.
- (5) Cooperate with us in the investigation and settlement of any claim.

**f. Employee Benefit Plans**

- (1) The "employee benefit plans" shown in the Declarations (hereinafter referred to as Plan) are included as insureds under Insuring Agreement A.1.
- (2) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance for Insuring Agreement A.1. that is sufficient to provide a Limit of Insurance for each Plan that is at least equal to that required if each Plan were separately insured.
- (3) With respect to loss sustained or discovered by any such Plan, Insuring Agreement A.1. is replaced by the following:

We will pay for loss of or damage to "funds" and "other property" resulting directly from fraudulent or dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

- (4) If the first Named Insured is an entity other than a Plan, any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.

- (5) If two or more Plans are insured under this insurance, any payment we make for loss:

(a) Sustained by two or more Plans; or

(b) Of commingled "funds" or "other property" of two or more Plans;

resulting directly from an "occurrence" will be made to each Plan sustaining loss in the proportion that the Limit of Insurance required for each Plan bears to the total Limit of Insurance of all Plans sustaining loss.

- (6) The Deductible Amount applicable to Insuring Agreement A.1. does not apply to loss sustained by any Plan.

**g. Extended Period To Discover Loss**

We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is "discovered" by you:

- (1) No later than 1 year from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- (2) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".

**h. Joint Insured**

- (1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured

for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.

- (2) If any Insured, or partner, "member" or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

- (3) An "employee" of any Insured is considered to be an "employee" of every Insured.

- (4) If this insurance or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you:

(a) No later than 1 year from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

(b) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".

- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.

- (6) Payment by us to the first Named Insured for loss sustained by any Insured, other than an "employee benefit plan" shall fully release us on account of such loss.

**i. Legal Action Against Us**

You may not bring any legal action against us involving loss:

- (1) Unless you have complied with all the terms of this insurance;

- (2) Until 90 days after you have filed proof of loss with us; and

- (3) Unless brought within 2 years from the date you "discovered" the loss.



If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

**J. Liberalization**

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the Policy Period shown in the Declarations, the broadened coverage will immediately apply to this insurance.

**k. Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate**

**(1) Loss Sustained Partly During This Insurance And Partly During Prior Insurance**

If you "discover" loss during the Policy Period shown in the Declarations, resulting from an "occurrence" taking place:

- (a) Partly during the Policy Period shown in the Declarations; and
- (b) Partly during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the Policy Period(s) of the prior insurance.

**(2) Loss Sustained Entirely During Prior Insurance**

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place entirely during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

- (a) This insurance became effective at the time of cancellation of the prior insurance; and
- (b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the Policy Period(s) of any other prior insurance.

**(3) In settling loss subject to this Condition:**

(a) The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

(b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under this insurance. If no loss was sustained under this insurance, we will apply the Deductible Amount shown in the Declarations to the amount of loss sustained under the most recent prior insurance.

If the Deductible Amount is larger than the amount of loss sustained under this insurance, of the most recent prior insurance, we will apply the remaining Deductible Amount to the remaining amount of loss sustained during the prior insurance.

We will not apply any other Deductible Amount that may have been applicable to the loss.

**(4) The following examples demonstrate how we will settle losses subject to this Condition E.1.k.:**

**EXAMPLE NO. 1:**

The insured sustained a covered loss of \$10,000 resulting directly from an "occurrence" taking place during the terms of Policy A and Policy B.

**POLICY A**

The current policy. Written at a Limit of Insurance of \$50,000 and a Deductible Amount of \$5,000.

**POLICY B**

Issued prior to Policy A. Written at a Limit of Insurance of \$50,000 and a Deductible Amount of \$5,000.

The amount of loss sustained under Policy A is \$2,500 and under Policy B is \$7,500.

The highest single Limit of Insurance applicable to this entire loss is \$50,000 written under Policy A. The Policy A Deductible Amount of \$5,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$2,500) is settled first. The amount we will pay is nil (\$0.00) because the amount of loss is less than the Deductible Amount (i.e., \$2,500 loss - \$5,000 deductible = \$0.00)
2. The remaining amount of loss sustained under Policy B (\$7,500) is settled next. The amount recoverable is \$5,000 after the remaining Deductible Amount from Policy A of \$2,500 is applied to the loss (i.e., \$7,500 loss - \$2,500 deductible = \$5,000).

The most we will pay for this loss is \$5,000.

**EXAMPLE NO. 2:**

The insured sustained a covered loss of \$250,000 resulting directly from an "occurrence" taking place during the terms of Policy A and Policy B.

**POLICY A**

The current policy. Written at a Limit of Insurance of \$125,000 and a Deductible Amount of \$10,000.

**POLICY B**

Issued prior to Policy A. Written at a Limit of Insurance of \$150,000 and a Deductible Amount of \$25,000.

The amount of loss sustained under Policy A is \$175,000 and under Policy B is \$75,000

The highest single Limit of Insurance applicable to this entire loss is \$150,000 written under Policy B. The Policy A Deductible Amount of \$10,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$175,000) is settled first. The amount we will pay is the Policy A Limit of \$125,000 because \$175,000 loss - \$10,000 deductible = \$165,000 which is greater than the \$125,000 policy limit.
2. The remaining amount of loss sustained under Policy B (\$75,000) is

settled next. The amount we will pay is \$25,000 (i.e., \$150,000 Policy B limit - \$125,000 paid under Policy A = \$25,000).

The most we will pay for this loss is \$150,000.

**EXAMPLE NO. 3:**

The insured sustained a covered loss of \$2,000,000 resulting directly from an "occurrence" taking place during the terms of Policies A, B, C and D.

**POLICY A**

The current policy. Written at a Limit of Insurance of \$1,000,000 and a Deductible Amount of \$100,000.

**POLICY B**

Issued prior to Policy A. Written at a Limit of Insurance of \$750,000 and a Deductible Amount of \$75,000.

**POLICY C**

Issued prior to Policy B. Written at a Limit of Insurance of \$500,000 and a Deductible Amount of \$50,000.

**POLICY D**

Issued prior to Policy C. Written at a Limit of Insurance of \$500,000 and a Deductible Amount of \$50,000.

The amount of loss sustained under Policy A is \$350,000, under Policy B is \$250,000, under Policy C is \$600,000 and under Policy D is \$800,000.

The highest single Limit of Insurance applicable to this entire loss is \$1,000,000 written under Policy A. The Policy A Deductible Amount of \$100,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$350,000) is settled first. The amount we will pay is \$250,000 (i.e., \$350,000 loss - \$100,000 deductible = \$250,000).
2. The amount of loss sustained under Policy B (\$250,000) is settled next. The amount we will pay is \$250,000 (no deductible is applied).
3. The amount of loss sustained under Policy C (\$600,000) is settled next. The amount we will pay is \$500,000, the policy limit (no deductible is applied).
4. We will not make any further payment under Policy D as the maximum amount payable under the highest single Limit of Insurance applying to the loss of \$1,000,000 under Policy A has been satisfied.

The most we will pay for the loss is \$1,000,000.



**I. Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate**

(1) If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place during the Policy Period of any prior cancelled insurance that was issued to you or a predecessor in interest by another company, and the period of time to discover loss under that insurance had expired, we will pay for the loss under this insurance, provided:

- (a) This insurance became effective at the time of cancellation of the prior insurance; and
- (b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

(2) In settling loss subject to this Condition:

- (a) The most we will pay for the entire loss is the lesser of the Limits of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior cancelled insurance.
- (b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under the prior cancelled insurance.

(3) The insurance provided under this Condition is subject to the following:

- (a) If loss covered under this Condition is also partially covered under Condition E.1.k, the amount recoverable under this Condition is part of, not in addition to, the amount recoverable under Condition E.1.k.
- (b) For loss covered under this Condition that is not subject to Paragraph (3)(a), the amount recoverable under this Condition is part of, not in addition to, the Limit of Insurance applicable to the loss covered under this in-

surance and is limited to the lesser of the amount recoverable under:

- (i) This insurance as of its effective date; or
- (ii) The prior cancelled insurance had it remained in effect.

**m. Other Insurance**

If other valid and collectible insurance is available to you for loss covered under this insurance, our obligations are limited as follows:

**(1) Primary Insurance**

When this insurance is written as primary insurance, and:

- (a) You have other insurance subject to the same terms and conditions as this insurance, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.
- (b) You have other insurance covering the same loss other than that described in Paragraph (1)(a), we will only pay for the amount of loss that exceeds:
  - (i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or
  - (ii) The Deductible Amount shown in the Declarations;

whichever is greater. Our payment for loss is subject to the terms and conditions of this insurance.

**(2) Excess Insurance**

- (a) When this insurance is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit Of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this insurance.

- (b) However, if loss covered under this insurance is subject to a Deductible, we will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

**n. Ownership Of Property; Interests Covered**

The property covered under this insurance is limited to property:

- (1) That you own or lease; or
- (2) That you hold for others, whether or not you are legally liable for the loss of such property.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

**o. Records**

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

**p. Recoveries**

- (1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or you, shall be applied net of the expense of such recovery:
  - (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;
  - (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
  - (c) Third, to you in satisfaction of any Deductible Amount; and
  - (d) Fourth, to you in satisfaction of any loss not covered under this insurance.
- (2) Recoveries do not include any recovery:
  - (a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or

- (b) Of original "securities" after duplicates of them have been issued.

**q. Territory**

This insurance covers loss that you sustain resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions), Puerto Rico and Canada.

**r. Transfer Of Your Rights Of Recovery Against Others To Us**

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

**s. Valuation - Settlement**

- (1) The value of any loss for purposes of coverage under this policy shall be determined as follows:

- (a) Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America:

- (i) At face value in the "money" issued by that country; or

- (ii) In the United States of America dollar equivalent determined by the rate of exchange published in The Wall Street Journal on the day the loss was "discovered".

- (b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:

- (i) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or

- (ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
  - i. Market value of the "securities" at the close of business on the day the loss was "discovered"; or
  - ii. The Limit of Insurance applicable to the "securities".
- (c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:
  - (i) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose; or
  - (ii) The amount you actually spend that is necessary to repair or replace the lost or damaged property; or
  - (iii) The Limit of Insurance applicable to the lost or damaged property.

With regard to Paragraphs s.(1)(c)(i) through s.(1)(c)(iii), we will not pay on a replacement cost basis for any loss or damage:

- i. Until the lost or damaged property is actually repaired or replaced; and
- ii. Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

- (2) We will at your option, settle loss or damage to property other than "money":
  - (a) In the "money" of the country in which the loss or damage occurred; or
  - (b) In the United States of America dollar equivalent of the "money" of the country in which the loss or damage occurred determined by the rate of exchange published in The Wall Street Journal on the day the loss was "discovered".
- (3) Any property that we pay for or replace becomes our property.

## 2. Conditions Applicable To Insuring Agreement A.1.

### a. Termination As To Any Employee

This Insuring Agreement terminates as to any "employee":

- (1) As soon as:
  - (a) You; or
  - (b) Any of your partners, "members", "managers", officers, directors, or trustees not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

- (2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

### b. Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory Condition E.1.q. for a period of not more than 90 consecutive days.

**3. Conditions Applicable To Insuring Agreement A.2.****a. Deductible Amount**

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement A.2.

**b. Electronic And Mechanical Signatures**

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

**c. Proof Of Loss**

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

**d. Territory**

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition E.1.q. does not apply to Insuring Agreement A.2.

**4. Conditions Applicable To Insuring Agreements A.4. And A.5.****a. Armored Motor Vehicle Companies**

Under Insuring Agreement A.5., we will only pay for the amount of loss you cannot recover:

- (1) Under your contract with the armored motor vehicle company; and
- (2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

**b. Special Limit Of Insurance For Specified Property**

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to:

- (1) Precious metals, precious or semi-precious stones, pearls, furs, or completed or partially completed articles made of or containing such materials that constitute the principal value of such articles; or
- (2) Manuscripts, drawings, or records of any kind or the cost of reconstructing them or reproducing any information contained in them.

**5. Conditions Applicable To Insuring Agreement A.6.****a. Special Limit Of Insurance for Specified Property**

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

**b. Territory**

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition E.1.q. does not apply to Insuring Agreement A.6.

**F. Definitions**

1. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.
3. "Custodian" means you, or any of your partners or "members", or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.
4. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.

**5. "Employee":****a. "Employee" means:**

- (1) Any natural person:
- (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any dishonest act committed by the "employee";

- (b) Who you compensate directly by salary, wages or commissions; and
- (c) Who you have the right to direct and control while performing services for you;
- (2) Any natural person who is furnished temporarily to you:
  - (a) To substitute for a permanent "employee" as defined in Paragraph a.(1), who is on leave; or
  - (b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the "premises";

- (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph a.(2);
- (4) Any natural person who is:
  - (a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan"; and
  - (b) A director or trustee of yours while that person is engaged in handling "funds" or "other property" of any "employee benefit plan";
- (5) Any natural person who is a former "employee", partner, "member", "manager", director, or trustee retained as a consultant while performing services for you;
- (6) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the "premises".
- (7) Any "employee" of any entity merged or consolidated with

you prior to the effective date of this policy; or

- (8) Any of your "managers", directors or trustees while:
  - (a) Performing acts within the scope of the usual duties of an "employee"; or
  - (b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.

**b. "Employee" does not mean:**

Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph 5.a.

- 6. "Employee benefit plan" means any welfare or pension benefit plan shown in the Declarations that you sponsor and which is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.
- 7. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
- 8. "Fraudulent instruction" means:
  - a. An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
  - b. A written instruction (other than those described in Insuring Agreement A.2.) issued by you, which was forged or altered by someone other than you without your knowledge or consent, or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or
  - c. An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by you which purports to have been transmitted by an "employee" but which was in fact fraudulently transmitted by someone else without your or the "employee's" knowledge or consent.

9. "Funds" means "money" and "securities".

10. "Manager" means a person serving in a directorial capacity for a limited liability company.

11. "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".

12. "Messenger" means you, or a relative of yours, or any of your partners or "members", or any "employee" while having care and custody of property outside the "premises".

13. "Money" means:

- a. Currency, coins and bank notes in current use and having a face value; and
- b. Travelers checks, registered checks and money orders held for sale to the public.

14. "Occurrence" means:

a. Under Insuring Agreement A.1.:

- (1) An individual act;
- (2) The combined total of all separate acts whether or not related; or
- (3) A series of acts whether or not related;

committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Condition E.1.k. or E.1.l.

b. Under Insuring Agreement A.2.:

- (1) An individual act;
- (2) The combined total of all separate acts whether or not related; or
- (3) A series of acts whether or not related;

committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, except as provided under Condition E.1.k. or E.1.l.

c. Under Insuring Agreement:

- (1) An individual act or event;
- (2) The combined total of all separate acts or events whether or not related; or

(3) A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, except as provided under Condition E.1.k. or E.1.l.

15. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, electronic data or any property specifically excluded under this insurance.

16. "Premises" means the interior of that portion of any building you occupy in conducting your business.

17. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:

- a. Caused or threatened to cause that person bodily harm; or
- b. Committed an obviously unlawful act witnessed by that person.

18. "Safe burglary" means the unlawful taking of:

- a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
- b. A safe or vault from inside the "premises".

19. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or property and includes:

- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

20. "Theft" means the unlawful taking of property" to the deprivation of the Insured.

21. "Transfer account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "funds";

- a. By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
  - b. By means of written instructions (other than those described in Insuring Agreement A.2.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.
22. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.





**CRIME AND FIDELITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM  
COMMERCIAL CRIME POLICY  
EMPLOYEE THEFT AND FORGERY POLICY  
GOVERNMENT CRIME COVERAGE FORM  
GOVERNMENT CRIME POLICY  
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY  
KIDNAP/RANSOM AND EXTORTION COVERAGE FORM  
KIDNAP/RANSOM AND EXTORTION POLICY

**A. The Cancellation Common Policy Condition or the Cancellation Of Policy Condition is replaced by the following:**

**(1) The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.**

**(2) Cancellation Of Policies In Effect 60 Days Or Less**

**(a) We may cancel this policy by mailing to you written notice stating the reason for cancellation.**

**(b) If we cancel for nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.**

**(c) If we cancel for a reason other than nonpayment of premium, we will mail the notice at least:**

**(i) 30 days prior to the effective date of cancellation if the policy has been in effect for less than 60 days.**

**(ii) 60 days prior to the effective date of cancellation if the policy has been in effect for more than 60 days.**

**(3) 60 Days Or More**

**If this policy has been in effect for more than 60 days, we may**

**cancel only for one or more of the following reasons:**

**(a) Nonpayment of premium;**

**(b) The policy was obtained through a material misrepresentation;**

**(c) Any Insured has violated any of the terms and conditions of the policy;**

**(d) The risk originally accepted has measurably increased;**

**(e) Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or**

**(f) A determination by the Director of Insurance that the continuation of the policy could place us in violation of the insurance laws of this State.**

**(4) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.**

**(5) If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.**

- B. The following is added and supersedes any other provision to the contrary:

**Nonrenewal**

1. If we decide not to renew or continue this policy, we will mail you, your agent or broker written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

**C. Mailing Of Notices**

We will mail cancellation and nonrenewal notices to the last addresses known to us. Proof of mailing will be sufficient proof of notice.

- D. Under the Commercial Crime Coverage Form, Commercial Crime Policy, Government Crime Coverage Form, Government Crime Policy, Employee Theft And Forgery Policy, and Government Employee Theft And Forgery Policy, the **Legal Action Against Us** Condition is replaced by the following:

**Legal Action Against Us:**

You may not bring any legal action against us involving loss:

1. Unless you have complied with all the terms of this insurance;
2. Until 90 days after you have filed proof of loss with us; and
3. Unless brought within two years from the date you discover the loss. But we will extend this two-year period by the number of days between the date proof of loss is filed and the date the claim is denied in whole or in part.

- E. Under the Kidnap/Ransom and Extortion Coverage Form and Kidnap/Ransom and Extortion Policy, the **Legal Action Against Us** Condition is replaced by the following:

**Legal Action Against Us**

You may not bring any legal against us involving loss:

1. Unless you have complied with all the terms of this insurance;
2. Until 90 days after you have filed proof of loss with us; and
3. Unless brought within two years from the date you reported the loss to us. But we will extend this two-year period by the number of days between the date proof of loss is filed and the date the claim is denied in whole or in part.

UMBRELLA COVERAGE

UMBRELLA COVERAGE

UMBRELLA COVERAGE




**WESTFIELD**  
**INSURANCE**

Sharing Knowledge. Building Trust.®

**RENEWAL**  
**COMMERCIAL LIABILITY UMBRELLA DECLARATIONS**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy Period****From To**01/01/12  
01/01/13
 at 12:01 A.M. Standard Time at your  
 mailing address shown above.
**LIMITS OF INSURANCE**
 \$10,000,000 EACH OCCURRENCE LIMIT  
 \$10,000,000 GENERAL AGGREGATE LIMIT  
 \$10,000,000 PERSONAL & ADVERTISING INJURY LIMIT  
 \$0 SELF INSURED RETENTION
**SCHEDULE OF UNDERLYING INSURANCE**

POLICY NUMBER	TYPE OF COVERAGE	INSURER	LIMITS OF LIABILITY	POLICY PERIOD
TRA 5284060	General Liability	Westfield Insurance	\$2,000,000 General Aggregate \$2,000,000 Products/Completed Operations Aggregate \$1,000,000 Personal And Advertising Injury \$1,000,000 Each Occurrence	01/01/12 To 01/01/13
TRA 5284060	Auto Liability	Westfield Insurance	\$1,000,000 Bodily Injury And Property Damage Each Accident	01/01/12 To 01/01/13
X00562	Employers Liability	ACUITY INSURANCE COMPANY	\$500,000 Bodily Injury Each Accident \$500,000 Bodily Injury By Disease \$500,000 Policy Limit \$500,000 Bodily Injury By Disease Each Employee	01/01/12 To 09/15/12

**PREMIUM BASIS: FLATCHARGE**
**COMMERCIAL UMBRELLA ANNUAL PREMIUM** \$18,849.00  
**TOTAL ADVANCE ANNUAL PREMIUM** \$18,849.00
**Forms And Endorsements Applicable To This Coverage Part:**
 CU7034 0911\*, CUDS01 0900\*, CU0001 1207\*, CU0200 1207\*, CU7000 1206\*,  
 CU7002 1206\*, CU2127 1204\*, CU2108 0900\*, CU2123 0202\*, CU7024 1207\*,  
 CU2432 1205\*, CU0004 0509\*, CU7033 0911\*, CU2142 1204\*, CU2150 0305\*,  
 IL7013 1206\*, CU0107 0110\*, CU2125 1201\*, CU0403 1207\*, CU2130 0108\*,  
 CU2430 0305\*, CU2255 0900\*.



**COMMERCIAL UMBRELLA**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**PRIMARY AND NONCONTRIBUTORY COVERAGE ENDORSEMENT -  
AUTOMATIC STATUS WHEN REQUIRED BY CONTRACT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM**

Solely with respect to the coverage afforded under this insurance to any person or organization which qualifies as an additional insured pursuant to Item 3., paragraph 3. of **SECTION II - WHO IS AN INSURED**, and Item **5.a. Other Insurance** of **SECTION IV - CONDITIONS**, is deleted and replaced with the following:

**5. Other Insurance**

- a. This insurance is excess over any other insurance available to the additional insured whether primary, excess, contingent or on any other basis except that this insurance shall be either primary to, or primary to and noncontributing with, such other insurance if so required by written contract or agreement with the additional insured. This condition does not apply to insurance purchased specifically to apply in excess of this insurance.

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**CU 70 34 09 11**





## COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

### SECTION I - COVERAGES

#### COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

##### 1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages for such "bodily injury" or "property damage" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other "suit" seeking damages to which this insurance may apply. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. At our discretion, we may investigate any "occurrence" that may involve this insurance and settle any resultant claim or "suit", for which we have the duty to defend. But:

- (1) The amount we will pay for the "ultimate net loss" is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1.a. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1.a. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1.a. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
  - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. Damages because of "bodily injury" include damages claimed by any person by organization for care, loss of services or death resulting at any time from the "bodily injury".

## 2. Exclusions

This insurance does not apply to:

### a. Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

### c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

This exclusion does not apply to the extent that valid "underlying insurance" for the liquor liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.

### d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

### e. E.R.I.S.A.

Any obligation of the insured under the Employees' Retirement Income Security Act (E.R.I.S.A.), and any amendments thereto or any similar federal, state or local statute.

### f. Auto Coverages

- (1) "Bodily injury" or "property damage" arising out of the ownership, maintenance or use of any "auto" which is not a "covered auto"; or
- (2) Any loss, cost or expense payable under or resulting from any first party physical damage coverage; no-fault law, personal injury protection or auto medical payments coverage; or uninsured or underinsured motorist law.

### g. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:

- (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

With respect to injury arising out of a "covered auto", this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits. For the purposes of this insurance, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

This exclusion does not apply to the extent that valid "underlying insurance" for the employer's liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.

#### **h. Employment-Related Practices**

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies whether the injury-causing event described in Para-

graphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

#### **i. Pollution**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time; or
- (2) "Pollution cost or expense".

This exclusion does not apply if valid "underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance".

#### **j. Aircraft Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 50 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

(4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance; or

(5) Aircraft that is:

(a) Chartered by, loaned to, or hired by you with a paid crew; and

(b) Not owned by any insured.

**k. Racing Activities**

"Bodily injury" or "property damage" arising out of the use of "mobile equipment" or "autos" in, or while in practice for, or while being prepared for, any pre-arranged professional or organized racing, speed, demolition, or stunting activity or contest.

**l. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**m. Damage To Property**

"Property damage" to:

(1) Property:

(a) You own, rent, or occupy including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property; or

(b) Owned or transported by the insured and arising out of the ownership, maintenance or use of a "covered auto".

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (1)(b), (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs (3) and (4) of this exclusion do not apply to liability assumed under a written Trailer Interchange agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

**n. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**o. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a sub-contractor.

**p. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**q. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**r. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**s. Professional Services**

"Bodily injury" or "property damage" due to rendering or failure to render any professional service. This includes but is not limited to:

- (1) Legal, accounting or advertising services;
- (2) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications by any architect, engineer or surveyor performing services on a project on which you serve as construction manager;
- (3) Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
- (4) Engineering services, including related supervisory or inspection services;

- (5) Medical, surgical, dental, x-ray or nursing services treatment, advice or instruction;
- (6) Any health or therapeutic service treatment, advice or instruction;
- (7) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming or therapy;
- (8) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, body building or physical training programs;
- (9) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (10) Body piercing services;
- (11) Services in the practice of pharmacy; but this exclusion does not apply if you are a retail druggist or your operations are those of a retail drugstore;
- (12) Law enforcement or firefighting services; and
- (13) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

**t. Electronic Data**

Damage arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

This exclusion does not apply if valid "underlying insurance" for the electronic data risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance", unless otherwise directed by this insurance.



**u. Distribution Of Material In Violation Of Statutes**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages for such "personal and advertising injury" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other "suit" seeking damages to which this insurance may apply. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. At our discretion, we may investigate any offense that may involve this insurance and settle any resultant claim or "suit", for which we have the duty to defend. But:

- (1) The amount we will pay for the "ultimate net loss" is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

**2. Exclusions**

This insurance does not apply to:

- a. "Personal and advertising injury":

**(1) Knowing Violation Of Rights Of Another**

Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

**(2) Material Published With Knowledge Of Falsity**

Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

**(3) Material Published Prior To Policy Period**

Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

**(4) Criminal Acts**

Arising out of a criminal act committed by or at the direction of the insured.

**(5) Contractual Liability**

For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to:

- (a) Liability for damages that the insured would have in the absence of the contract or agreement.
- (b) Liability for false arrest, detention or imprisonment assumed in a contract or agreement.

**(6) Breach Of Contract**

Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

**(7) Quality Or Performance Of Goods -- Failure To Conform To Statements**

Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

**(8) Wrong Description Of Prices**

Arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

**(9) Infringement Of Copyright, Patent, Trademark Or Trade Secret**

Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

**(10) Insureds In Media And Internet Type Businesses**

Committed by an insured whose business is:

- (a) Advertising, broadcasting, publishing or telecasting;
- (b) Designing or determining content of websites for others; or
- (c) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**(11) Electronic Chatrooms Or Bulletin Boards**

Arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**(12) Unauthorized Use Of Another's Name Or Product**

Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**(13) Pollution**

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

**(14) Employment-Related Practices**

To:

- (a) A person arising out of any:

- (i) Refusal to employ that person;
- (ii) Termination of that person's employment; or
- (iii) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

- (b) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (i), (ii) or (iii) above is directed.

This exclusion applies whether the injury-causing event described in Paragraphs (i), (ii) or (iii) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

**(15) Professional Services**

Arising out of the rendering or failure to render any professional service. This includes but is not limited to:

- (a) Legal, accounting or advertising services;
- (b) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications by any architect, engineer or surveyor performing services on a project on which you serve as construction manager;

- (c) Inspection, supervision, quality control, architectural or engineering activities done, by or for you on a project on which you serve as construction manager.
- (d) Engineering services, including related supervisory or inspection services;
- (e) Medical, surgical, dental, x-ray or nursing services treatment, advice or instruction;
- (f) Any health or therapeutic service treatment, advice or instruction;
- (g) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming or therapy;
- (h) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, body building or physical training programs;
- (i) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (j) Body piercing services;
- (k) Services in the practice of pharmacy; but this exclusion does not apply if you are a retail druggist or your operations are those of a retail drugstore;
- (l) Law enforcement or firefighting services; and
- (m) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

**(16) War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by

any government, sovereign or other authority using military personnel or other agents; or

- (c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**(17) Distribution Of Material In Violation Of Statutes**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (b) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (c) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

- b. "Pollution cost or expense".

**SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend, when the duty to defend exists:
  - a. All expenses we incur.
  - b. Up to \$2000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "occurrence" we cover. We do not have to furnish these bonds.
  - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
  - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
  - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.



- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. When we have the right but not the duty to defend the insured and elect to participate in the defense, we will pay our own expenses but will not contribute to the expenses of the insured or the "underlying insurer".
- 3. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - b. This insurance applies to such liability assumed by the insured;
  - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
  - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
  - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
  - f. The indemnitee:
    - (1) Agrees in writing to:
      - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
      - (b) Immediately send us copies if any demands, notices, summonses or legal papers received in connection with the "suit";
    - (c) Notify any other insurer whose coverage is available to the indemnitee; and
    - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

- (2) Provides us with written authorization to:
  - (a) Obtain records and other information related to the "suit"; and
  - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

## SECTION II - WHO IS AN INSURED

- 1. Except for liability arising out of the ownership, maintenance or use of "covered autos":
  - a. If you are designated in the Declarations as:
    - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
    - (2) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
    - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

(4) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

(5) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

b. Each of the following is also an insured:

(1) Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(a) "Bodily injury" or "personal and advertising injury":

(i) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" in the course of his or her employment or performing duties related to the conduct of your business or to your other "volunteer workers" while performing duties related to the conduct of your business;

(ii) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (a)(i) above; or

(iii) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (a)(i) or (ii) above.

(b) "Property damage" to property:

(i) Owned, occupied or used by,

(ii) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

(2) Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

(3) Any person or organization having proper temporary custody of your property if you die, but only:

(a) With respect to liability arising out of the maintenance or use of that property; and

(b) Until your legal representative has been appointed.

(4) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

c. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

(1) Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

(2) Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

(3) Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

2. Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":

a. You are an insured.

b. Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:

- (1) The owner or anyone else from whom you hire or borrow a "covered auto". This exception does not apply if the "covered auto" is a trailer or semitrailer connected to a "covered auto" you own.
- (2) Your "employee" if the "covered auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a "covered auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a "covered auto".
- (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a "covered auto" owned by him or her or a member of his or her household.
- (6) "Employees" with respect to "bodily injury" to any fellow "employee" of the insured arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

c. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.

3. Any additional insured under any policy of "underlying insurance" will automatically be an insured under this insurance.

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance required by the contract, less any amounts payable by any "underlying insurance".

Additional insured coverage provided by this insurance will not be broader than coverage provided by the "underlying insurance".

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made, "suits" brought, or number of vehicles involved; or
  - c. Persons or organizations making claims or bringing "suits".
2. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss" under:
  - a. Coverage A, except "ultimate net loss" because of "bodily injury" or "property damage" arising out of the ownership, maintenance or use of a "covered auto"; and
  - b. Coverage B.
3. Subject to Paragraph 2. above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" because of all "bodily injury" and "property damage" under Coverage A arising out of any one "occurrence".
4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all "ultimate net loss" because of all "personal and advertising injury" sustained by any one person or organization.
5. If there is "underlying insurance" with a policy period that is non-concurrent with the policy period of this Commercial Liability Umbrella Coverage Part, the "retained limit(s)" will only be reduced or exhausted by payments for:
  - a. "Bodily injury" or "property damage" which occurs during the policy period of this Coverage Part; or
  - b. "Personal and advertising injury" for offenses that are committed during the policy period of this Coverage Part.

However, if any "underlying insurance" is written on a claims-made basis, the "retained limit(s)" will only be reduced or exhausted by claims for that insurance that are made during the policy period, or any Extended Reporting Period, of this Coverage Part.

The Aggregate Limit, as described in Paragraph 2. above, applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

**SECTION IV - CONDITIONS****1. Appeals**

If the "underlying insurer" or insured elects not to appeal a judgment in excess of the "retained limit", we may do so at our own expense. We will be liable for taxable costs, pre- and postjudgment interest and disbursements.

**2. Bankruptcy****a. Bankruptcy Of Insured**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

**b. Bankruptcy Of Underlying Insurer**

Bankruptcy of the "underlying insurer" will not relieve us of our obligations under this Coverage Part.

However, this insurance will not replace the "underlying insurance" in the event of bankruptcy or insolvency of the "underlying insurer". This insurance will apply as if the "underlying insurance" were in full effect.

**3. Duties In The Event Of Occurrence, Offense, Claim Or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense, regardless of the amount, which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;

- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

**4. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

**5. Other Insurance**

- a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

- b. When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

**6. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**7. Representations Of Fraud**

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us;
- c. We have issued this policy in reliance upon your representations; and
- d. This policy is void in any case of fraud by you as it relates to this policy or any claim under this policy.

**8. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**9. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**10. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**11. Loss Payable**

Liability under this Coverage Part shall not apply unless and until the insured or insured's "underlying insurer" has become obligated to pay the "retained limit". Such obligation by the insured to pay part of the "ultimate net loss" shall have been previously determined by a final settlement or judgment after an actual trial or written agreement between the insured, claimant, and us.

**12. Transfer Of Defense**

When the underlying limits of insurance have been used up in the payment of judgments or settlements, the duty to defend will be transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or "suits" seeking damages to which this insurance applies which would have been covered by the "underlying insurance" had the applicable limit not been used up.

**13. Maintenance Of/Changes To Underlying Insurance**

The "underlying insurance" listed in the Schedule of "underlying insurance" in the Declarations shall remain in full effect throughout the policy period except for reduction of the aggregate limit due to payment of claims, settlement or judgments.

Failure to maintain "underlying insurance" will not invalidate this insurance. However, this insurance will apply as if the "underlying insurance" were in full effect.

If there is an increase in the scope of coverage of any "underlying insurance" during the term of this policy, our liability will be no more than it would have been if there had been no such increase.

You must notify us as soon as practicable when any "underlying insurance" is no longer in effect or if the limits or scope of coverage of any "underlying insurance" is changed.

**14. Expanded Coverage Territory**

- a. If a "suit" is brought in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from defending the insured, the insured will initiate a defense of the "suit". We will reimburse the insured, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defense of a "suit" seeking damages to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.



If the insured becomes legally obligated to pay sums because of damages to which this insurance applies in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from paying such sums on the insured's behalf, we will reimburse the insured for such sums.

- b. All payments or reimbursements we make for damages because of judgments or settlements will be made in U.S. currency at the prevailing exchange rate at the time the insured became legally obligated to pay such sums. All payments or reimbursements we make for expenses under Supplementary Payments will be made in U.S. currency at the prevailing exchange rate at the time the expenses were incurred.
- c. Any disputes between you and us as to whether there is coverage under this policy must be filed in the courts of the United States of America (including its territories and possessions), Canada or Puerto Rico.
- d. The insured must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payments of claims, judgments or settlements.

Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

## SECTION V - DEFINITIONS

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- 2. "Auto" means:
  - a. A land motor vehicle, "trailer" or semi-trailer designed for travel on public

roads, including any attached machinery or equipment; or

- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- 3. "Bodily injury" means bodily injury, disability, sickness, or disease sustained by a person, including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".
- 4. "Coverage territory" means anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.
- 5. "Covered auto" means only those "autos" to which "underlying insurance" applies.
- 6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- 7. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
- 8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work", or your fulfilling the terms of the contract or agreement.

- 9. "Insured contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto." However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
- g. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraphs f. and g. do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
  - (2) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
  - (3) That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a "covered auto" over a route or territory that person or organization is authorized to serve by public authority.
10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
11. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
  - b. While it is in or on an aircraft, watercraft or "auto"; or

- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  - b. Vehicles maintained for use solely on or next to premises you own or rent;
  - c. Vehicles that travel on crawler treads;
  - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
    - (1) Power cranes, shovels, loaders, diggers or drills; or
    - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
  - e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
    - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
    - (2) Cherry pickers and similar devices used to raise or lower workers;
  - f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- False arrest, detention or imprisonment;
  - Malicious prosecution;
  - The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - The use of another's advertising idea in your "advertisement"; or
  - Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
16. "Pollution cost or expense" means any loss, cost or expense arising out of any:
- Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
  - Claim or suit by or on behalf of a governmental authority for damages be-

cause of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

17. "Products-completed operations hazard":

- Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

(2) The existence of tools, uninstalled equipment or abandoned or unused materials.

18. "Property damage" means:

- Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

- Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.



With respect to the ownership, maintenance or use of "covered autos", property damage also includes "pollution cost or expense", but only to the extent that coverage exists under the "underlying insurance" or would have existed but for the exhaustion of the underlying limits.

For the purposes of this insurance, with respect to other than the ownership maintenance or use of "covered autos", electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

19. "Retained limit" means the available limits of "underlying insurance" scheduled in the Declarations or the "self-insured retention", whichever applies.
20. "Self-insured retention" means the dollar amount listed in the Declarations that will be paid by the insured before this insurance becomes applicable only with respect to "occurrences" or offenses not covered by the "underlying insurance". The "self-insured retention" does not apply to "occurrences" or offenses which would have been covered by "underlying insurance" but for the exhaustion of applicable limits.
21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
  - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent or the "underlying insurer's" consent.
22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
23. "Ultimate net loss" means the total sum, after reduction for recoveries or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of settlement or judgments or any arbitration or other alternate dispute method entered into with our consent or the "underlying insurer's" consent.
24. "Underlying insurance" means any policies of insurance listed in the Declarations under the Schedule of "underlying insurance".
25. "Underlying insurer" means any insurer who provides any policy of insurance listed in the Schedule of "underlying insurance".
26. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
27. "Your product":
  - a. Means:
    - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
      - (a) You;
      - (b) Others trading under your name; or
      - (c) A person or organization whose business or assets you have acquired; and
    - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
  - b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
    - (2) The providing of or failure to provide warnings or instructions.
  - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
28. "Your work":
  - a. Means:
    - (1) Work or operations performed by you or on your behalf; and
    - (2) Materials, parts or equipment furnished in connection with such work or operations.
  - b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
    - (2) The providing of or failure to provide warnings or instructions.



COMMERCIAL LIABILITY UMBRELLA

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**RECORDING AND DISTRIBUTION OF MATERIAL OR  
INFORMATION IN VIOLATION OF LAW EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**A. Exclusion u. of Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

**u. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4)** Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information

**B. Exclusion a.(17) of Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

**a. "Personal and advertising injury":**

**(17) Recording And Distribution Of Material Or Information In Violation Of Law**

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (b)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (c)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (d)** Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information



COMMERCIAL LIABILITY UMBRELLA

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WHO IS AN INSURED AMENDMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM

Under **SECTION II - WHO IS AN INSURED** Item **2.b.(1)** is deleted and replaced with the following:

- (1)** The owner, any "employee" or agent of the owner, or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the covered "auto" is a trailer or semitrailer connected to a covered "auto" you own.

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**CU 70 33 09 11**



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - LEAD**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM  
FARM LIABILITY COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
FARMOWNERS-RANCHOWNERS POLICY PERSONAL LIABILITY FORM  
OWNERS', LANDLORDS' AND TENANTS' LIABILITY INSURANCE COVERAGE PART  
FARMER'S COMPREHENSIVE PERSONAL INSURANCE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

This insurance does not apply to:

- (1)** "Bodily injury", "property damage", "personal injury" or "personal and advertising injury" arising out of lead poisoning, lead contamination or exposure to lead.
- (2)** Any loss, cost or expense arising out of any:
  - a.** Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or
  - b.** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead.

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**IL 70 13 12 06**





## COMMERCIAL LIABILITY UMBRELLA

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WISCONSIN CHANGES**

This endorsement modifies insurance provided under the following:

## COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**A. Changes To Who Is An Insured**

1. Paragraph 2.b.(3) of **Section II - Who Is An Insured** is replaced by the following:

- (3) Someone using a "covered auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.

However, we will provide liability coverage to such person if there is no other valid and collectible insurance available to respond for damages for which that "insured" is legally responsible at limits equal to or greater than the statutory minimum limit of liability specified by WIS. STAT. Section 344.01 (2) (am). This applies whether such insurance is primary, excess or contingent. We will provide such coverage up to the statutory minimum limit of liability. The statutory minimum limit for each "occurrence" is \$115,000 for "bodily injury" and "property damage".

2. Paragraph 2.b.(6) of **Section II - Who Is An Insured** does not apply if the "bodily injury" results from the use of a "covered auto" you do not own or lease.

**B. Changes In Conditions**

1. The following is added to **Changes (Common Policy Conditions)**:

If one of our agents knows of a fact that breaches a condition of this Coverage Part, we will be considered to have knowledge of this same fact if:

- a. The agent knows of this fact at the time the Coverage Part is issued or an application is made; or
- b. The agent later learns of this fact in the course of his dealings as an agent with you.

Any fact that breaches a condition of this Coverage Part and is known to the agent prior to loss shall not void the Coverage Part or prevent a recovery in the event of loss.

2. The **Legal Action Against Us** Condition of **Section IV - Conditions** does not apply.

3. The following is added to Condition **7. Representations, Concealment Or Fraud of Section IV - Conditions**:

No misrepresentation or breach of affirmative warranty made by you or on your behalf in the negotiation of this Coverage Part affects our obligation under this Coverage Part unless:

- a. We rely on it and it is either material or made with intent to deceive; or
- b. The facts misrepresented or falsely warranted contribute to the loss.

No failure of a condition before the loss and no breach of a promissory warranty affects our obligation under this Coverage Part unless such failure or breach:

- a. Exists at the time of the loss; and
- b. Either increases the risk at the time of the loss or contributes to the loss.

The provisions of this condition do not apply to nonpayment of premium. If we elect to rescind this policy, we will notify the "insured" of our intention within 60 days after acquiring knowledge of sufficient facts to constitute grounds for rescission.

4. Condition **9. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV - Conditions** is replaced by the following:

In the event of any payment under this Coverage Part, we will be entitled to the insured's rights of recovery against any person or organization and the insured will do whatever is necessary to secure such rights. We will be entitled to a recovery only after the insured has been fully compensated for damages.

5. The following is added to Condition  
**3. Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV - Conditions:**

In the event of "occurrence", claim, "suit" or "loss", you must give us or our authorized representatives notice as soon as reasonably possible of the "occurrence" or "loss".

6. **Conformity To Statute Or Rule**

Any provision of this policy (including endorsements which modify the

policy) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under WIS. STAT. 227.11(2) and published in the Wisconsin Administrative Code.

POLICY NUMBER: TRA 5284060

COMMERCIAL LIABILITY UMBRELLA

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EMPLOYEE BENEFITS LIABILITY COVERAGE****THIS ENDORSEMENT PROVIDES CLAIMS-MADE COVERAGE.  
PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**SCHEDULE**

Additional Covered Employee Benefits Programs		
Limit Of Insurance		Retained Limit
\$ 10,000,000	Each Employee	\$ 100,000
\$ 10,000,000	Aggregate	
Retroactive Date:	09/15/10	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

- A. The following is added to **Section I - Coverages**:

**COVERAGE - EMPLOYEE BENEFITS LIABILITY****1. Insuring Agreement**

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages for such an act, error or omission when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. At our discretion, we may investigate any report of an act, error or omission and settle any resultant "claim" or "suit", for which we have a duty to defend. But:

- (1) The amount we will pay for "ultimate net loss" is limited as described in Paragraph D. (Section III - Limits Of Insurance); and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in

the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies only if:

- (1) The act, error or omission, is negligently committed in the "administration" of your "employee benefit program";
- (2) The act, error or omission, did not take place before the Retroactive Date, if any, shown in the Schedule nor after the end of the policy period; and
- (3) A "claim" for damages, because of an act, error or omission, is first made against any insured, in accordance with Paragraph c. below, during the policy period or an Extended Reporting Period we provide under Paragraph F. of this endorsement.

- c. A "claim" seeking damages will be deemed to have been made at the earlier of the following times:

- (1) When notice of such "claim" is received and recorded by any insured or by the "underlying insurer" or us if the limits of the "underlying insurance" have been used up, whichever comes first; or

- (2) When we make settlement in accordance with Paragraph 1.a. above or settlement is made by the "underlying insurer" with our agreement.

A "claim" received and recorded by the insured within 60 days after the end of the policy period will be considered to have been received within the policy period, if no subsequent policy is available to cover the claim.

- d. All "claims" for damages made by an "employee" because of any act, error or omission, or a series of related acts, errors or omissions, including damages claimed by such "employee's" dependents and beneficiaries, will be deemed to have been made at the time the first of those "claims" is made against any insured.

## 2. Exclusions

This insurance does not apply to:

### a. Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

### b. Bodily Injury, Property Damage, Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

### c. Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

### d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

### e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any "claim" based upon:

- (1) Failure of any investment to perform;
- (2) Errors in providing information on past performance of investment vehicles; or

- (3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

### f. Workers' Compensation And Similar Laws

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

### g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

### h. Available Benefits

Any "claim" for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

### i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

### j. Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

## B. For the purposes of the coverage provided by this endorsement:

1. All references to Supplementary Payments - Coverages A and B are replaced by Supplementary Payments - Coverages A, B and Employee Benefits Liability.
2. Paragraphs 1.b. and 3. of the Supplementary Payments provision do not apply.

## C. For the purposes of the coverage provided by this endorsement, Paragraphs 1.b. and 1.c. of Section II - Who Is An Insured are replaced by the following:

1. Except for liability arising out of the ownership, maintenance, or use of "covered autos".

b. Each of the following is also an insured:

- (1) Each of your "employees" who is or was authorized to administer your "employee benefit program".
- (2) Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.
- (3) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this endorsement.

c. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named insured if no other similar insurance applies to that organization. However:

- (1) Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
- (2) Coverage under this provision does not apply to any act, error or omission that was committed before you acquired or formed the organization.

D. For the purposes of the coverage provided by this endorsement, **Section III - Limits Of Insurance** is replaced by the following:

1. Our obligation to pay damages on behalf of the insured applies only to the amount of "ultimate net loss" in excess of the "retained limit" shown in the Schedule of this endorsement. If there is "underlying insurance" with a policy period that is non-current with the policy period of this endorsement, the "retained limit" will only be reduced or exhausted by "claims" for that insurance that are made during the policy period or the Extended Reporting Period of this endorsement.
2. The Limits of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:

(a) Insureds;

(b) "Claims" made or "suits" brought;

(c) Persons or organizations making "claims" or bringing "suits";

(d) Acts, errors or omissions; or

(e) Benefits included in your "employee benefit program".

3. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss" because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".

4. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for the sum of all "ultimate net loss" for damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:

(a) An act, error or omission; or

(b) A series of related acts, errors or omissions;

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. For the purposes of the coverage provided by this endorsement, Condition 3. of **Section IV - Commercial Liability Umbrella Conditions** is replaced by the following:

3. **Duties In The Event Of An Act, Error Or Omission, Or "Claim" Or "Suit"**

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim". To the extent possible, notice should include:

- (1) What the act, error or omission was and when it occurred; and
  - (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b. If a "claim" is made or "suit" is brought against any insured, you must:
- (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
  - (2) Notify us as soon as practicable.
- You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable
- c. You and any other involved insured must:
- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.
- F. For the purposes of the coverage provided by this endorsement, the following Extended Reporting Period provisions are added, or, if this endorsement is attached to a claims-made Coverage Part, replace any similar Section in that Coverage Part.

#### **EXTENDED REPORTING PERIOD**

1. You will have the right to purchase an Extended Reporting Period, as described below, if:
  - a. This endorsement is canceled or not renewed; or
  - b. We renew or replace this endorsement with insurance that:

- (1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or
- (2) Does not apply to an act, error or omission on a claims-made basis.

2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to "claims" for acts, errors or omissions that were first committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Schedule. Once in effect, the Extended Reporting Period may not be canceled.
3. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

- a. The "employee benefit programs" insured;
- b. Previous types and amounts of insurance;
- c. Limits of insurance available under this endorsement for future payment of damages; and
- d. Other related factors.

The additional premium will not exceed 100% of the annual premium for this endorsement.

The Extended Reporting Period endorsement applicable to this coverage shall set forth the terms, not inconsistent with this Section, applicable to the Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Extended Reporting Period starts.



4. If the Extended Reporting Period is in effect, we will provide an extended reporting period aggregate limit of insurance described below, but only for claims first received and recorded during the Extended Reporting Period.

The extended reporting period aggregate limit of insurance will be equal to the dollar amount shown in the Schedule of this endorsement under Limits Of Insurance.

Paragraph D.3. of this endorsement will be amended accordingly. The Each Employee Limit shown in the Schedule will then continue to apply as set forth in Paragraph D.4.

- G. For the purposes of the coverage provided by this endorsement, the following definitions are added to the **Definitions** Section:

1. "Administration" means:
  - a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
  - b. Handling records in connection with the "employee benefit program"; or
  - c. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include handling payroll deductions.

2. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
3. "Claim" means any demand, or "suit", made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.
4. "Employee benefit program" means a program providing some or all of the following benefits to "employees",

whether provided through a "cafeteria plan" or otherwise:

- a. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
- b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
- c. Unemployment insurance, social security benefits, workers' compensation and disability benefits;
- d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and
- e. Any other similar benefits designated in the Schedule or added thereto by endorsement.

- H. For the purposes of the coverage provided by this endorsement, Definitions 6. and 21. in the **Definitions** Section are replaced by the following:

6. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
21. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.



COMMERCIAL LIABILITY UMBRELLA

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES - CANCELLATION  
AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. The Cancellation Common Policy Condition is replaced by the following:**

**CANCELLATION**

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. We may cancel this policy by mailing to you written notice stating the reason for cancellation. If we cancel:
  - a. For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
  - b. For a reason other than nonpayment of premium, we will mail the notice at least:
    - (1) 30 days prior to the effective date of cancellation if the policy has been in effect for 60 days or less.
    - (2) 60 days prior to the effective date of cancellation if the policy has been in effect for more than 60 days.
3. If this policy has been in effect for more than 60 days or is a renewal or continuation policy, we may cancel only for one or more of the following reasons:
  - a. Nonpayment of premium;
  - b. The policy was obtained through a material misrepresentation;
  - c. Any insured has violated any of the terms and conditions of the policy;
  - d. The risk originally accepted has measurably increased;

- e. Certification to the Director of Insurance of the loss or reinsurance by the insurer that provided coverage to us for all or substantial part of the underlying risk insured; or

- f. A determination by the Director of Insurance that the continuation of the policy could place us in violation of the insurance laws of this State.

4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

- B. Condition 10. When We Do Not Renew is replaced by the following:**

If we decide not to renew or continue this policy, we will mail you and your agent or broker written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

**C. Mailing Of Notices**

We will mail cancellation and nonrenewal notices to you, and the agent or broker, at the last addresses known to us. Proof of mailing will be sufficient proof of notice.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - ASBESTOS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM**

This insurance does not apply to "bodily injury" or "property damage" arising out of:

1. Inhaling, ingesting or physical exposure to asbestos or goods or products containing asbestos;
2. The use of asbestos in constructing or manufacturing any goods, product or structure;
3. The removal, repair, encapsulation, enclosure, abatement or maintenance of asbestos in or from any goods, product or structure; or
4. The manufacture, sale, distribution, transportation, storage or disposal of asbestos or goods or products containing asbestos.

This insurance does not apply to payment for the investigation or defense of any claim, injury, loss, fine, penalty or "suit" related to any of the foregoing items 1 thru 4. Moreover we have no duty to investigate or defend any such claim, injury, loss or "suit".

This insurance also does not apply to any loss, cost or expense incurred in complying with any federal, state or local provision of law regarding the inspection, monitoring, or control of asbestos in any goods, products or structures.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ILLINOIS AMENDMENT TO THE DEFINITION OF "INSURED CONTRACT"**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM**

The following is added as the last paragraph to **SECTION V - DEFINITIONS**, paragraph 9. "Insured contract" means:

"Insured contract" does not include your liability to a third party by reason of a claim or suit against you by that third party for contribution under the Illinois Joint Tortfeasor Contribution Act for damages claimed against such third party as a result of injury to your employee if you have that liability because you have waived, in a contract, your right to limit such liability to the amount of the workers compensation benefits paid for that injured employee under the Illinois Workers Compensation Act.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

- A.** The following exclusion is added to Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**FUNGI OR BACTERIA**

- a.** "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b.** Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B.** The following exclusion is added to Paragraph 2., **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**FUNGI OR BACTERIA**

- a.** "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b.** Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C.** The following definition is added to the **Definitions** Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**EXCLUSION - INTERCOMPANY PRODUCTS SUITS**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

This insurance does not apply to any claim for damages by any Named Insured against another Named Insured because of "bodily injury" or "property damage" arising out of "your products" and included within the "products-completed operations hazard".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

### COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**I. The insurance does not apply:**

**A. Under any Liability Coverage, to "bodily injury" or "property damage":**

(1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:**

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time

possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

**II. As used in this endorsement:**

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailing or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

COMMERCIAL LIABILITY UMBRELLA

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**DEFINITION OF "BODILY INJURY"**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The definition of "bodily injury" under **SECTION V - DEFINITIONS**, Item 3, is amended to read:

3. **"Bodily injury"** means bodily injury, disability, sickness, or disease sustained by a person, including death resulting from any of these at any time.

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COMMERCIAL LIABILITY UMBRELLA

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**LIMITED COVERAGE TERRITORY**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. Paragraph 14. **Expanded Coverage Territory** under **Section IV - Conditions** does not apply.
- B. Paragraph 4. under **Section V - Definitions** is replaced by the following:
4. "Coverage territory" means:
- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
  - c. All other parts of the world if the injury or damage arises out of:
    - (1) Goods or products made or sold by you in the territory described in a. above;
    - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
    - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;
- provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - EXTERIOR INSULATION  
AND FINISH SYSTEMS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

- A.** This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:
1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
  2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.
- B.** The following definition is added to the Definitions Section:
- "Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:
1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
  2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
  3. A reinforced or unreinforced base coat;
  4. A finish coat providing surface texture to which color may be added; and
  5. Any flashing, caulking or sealant used with the system for any purpose.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SILICA OR SILICA-RELATED DUST EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**SILICA OR SILICA-RELATED DUST**

- a. "Bodily injury"** arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage"** arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense** arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**SILICA OR SILICA-RELATED DUST**

- a. "Personal and advertising injury"** arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense** arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- C. The following definitions are added to the Definitions Section:**

- 1. "Silica"** means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
- 2. "Silica-related dust"** means a mixture or combination of silica and other dust or particles.



POLICY NUMBER: TRA 5284060

COMMERCIAL LIABILITY UMBRELLA

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TOTAL POLLUTION EXCLUSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

Exclusion I. under Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

**i. Pollution**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time; or
- (2) "Pollution cost or expense".

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism

Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**AMENDMENT OF INSURED CONTRACT DEFINITION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

Paragraph 9. of the **Definitions** Section is replaced by the following:

**9. "Insured contract" means"**

- a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement;
- f.** That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

- g.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraphs **f.** and **g.** do not include that part of any contract or agreement:

- (1)** That indemnifies a railroad for "bodily injury" or "property damage" arising out of the construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2)** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- (3)** That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a "covered auto" over a route or territory that person or organization is authorized to serve by public authority.

COMMERCIAL LIABILITY UMBRELLA

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES - POLLUTION EXCLUSION -  
HOSTILE FIRE EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The following is added to Exclusion i. under Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

Paragraph (1) of this exclusion does not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire unless that hostile fire occurred or originated:

- (a) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (b) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

Hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.




**WESTFIELD  
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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13
 at 12:01 A.M. Standard Time at your  
 mailing address shown above.

~~XX~~ Effective 01/01/12 this Common Policy declarations amends all prior  
~~XX~~ Common Policy declarations and endorses this policy as shown below.

~~XX~~  
~~XX~~
**Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation
 In return for the payment of the premium, and subject to all terms of this  
 policy, we agree with you to provide the insurance as stated in this policy.
**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL GENERAL LIAB. COVERAGE PART ENDORSEMENT	Additional \$	50.00
TERRORISM INSURANCE COVERAGE PART ENDORSEMENT	Additional \$	1.00

Net Additional Premium	\$	51.00
------------------------	----	-------

**GENERAL LIABILITY COVERAGE PART ENDORSEMENT**

1. ADDED CLASSIFICATION 44444-IL
  - DESCRIPTION: CITY OF ELMHURST  
IL7035
  - PREMIUM BASIS: FLAT CHARGE
  - PREMISES/OPERATIONS COVERAGE APPLIES
  - ADDED \$1,000 P.D. DEDUCTIBLE TO  
PREMISES/OPERATIONS

**FORMS CHANGES**

1. CHANGED FORM IL7035 06/08

 \*\* This endorsement changes your policy. Please  
 attach it to your original policy. \*\*




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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS  
(Continued)**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13
 at 12:01 A.M. Standard Time at your  
 mailing address shown above.

 \*\*\* Effective 01/01/12 this Common Policy declarations amends all prior  
 \*\*\* Common Policy declarations and endorses this policy as shown below.

 \*\*\*  
 \*\*\*
**Forms and Endorsements applicable to all coverage parts:**
 IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
 IL0147 0911 , IL0283 0907 , IL7035 0608\*.
**COUNTERSIGNED:** \_\_\_\_\_

Date

BY \_\_\_\_\_

Authorized Representative





POLICY NUMBER: TRA 5284060

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EARLIER NOTICE OF CANCELLATION  
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE

**SCHEDULE**Number of Days' Notice 30

<b><u>Name Of Additional Insured Person(s) Or Organization(s)</u></b>	<b><u>Location(s) Of Covered Operations</u></b>
CITY OF ELMHURST, ILLINOIS 209 N. YORK STREET ELMHURST, IL 60126	

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.




**WESTFIELD  
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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13

at 12:01 A.M. Standard Time at your  
mailing address shown above.

~~XX~~ Effective 02/10/12 this Common Policy declarations amends all prior  
~~XX~~ Common Policy declarations and endorses this policy as shown below.

~~XX~~  
~~XX~~

**Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation

In return for the payment of the premium, and subject to all terms of this  
policy, we agree with you to provide the insurance as stated in this policy.

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT Additional Included

Net Additional Premium

\$

0.00

**INLAND MARINE COVERAGE PART ENDORSEMENT**

1. CHANGED COVERAGE AT LOC 001 BLDG 001
  - ADDED LOSS PAYEE
  - NATIONAL PUMP & COMPRESSOR
  - 2138 MAXIM DR
  - JOLIET IL 60436

**FORMS CHANGES**

1. CHANGED FORM IM7902A 04/04

**\*\* This endorsement changes your policy. Please  
attach it to your original policy. \*\***




**WESTFIELD**  
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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**  
 (Continued)
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13
**at 12:01 A.M. Standard Time at your  
mailing address shown above.**
**\*\*\* Effective 02/10/12 this Common Policy declarations amends all prior  
\*\*\* Common Policy declarations and endorses this policy as shown below.**
**\*\*\*  
\*\*\***
**Forms and Endorsements applicable to all coverage parts:**
 IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
 IL0147 0911 , IL0283 0907 , IL7035 0608 .
**COUNTERSIGNED:** \_\_\_\_\_

Date

BY \_\_\_\_\_

Authorized Representative



## LOSS PAYABLE SCHEDULE

(The entires required to complete this schedule  
will be shown below or on the "schedule of coverages".)

Indicate applicable provision:

- ☒ Loss Payable  
☐ Lender's Loss Payable  
☐ Contract of Sale
- 

### SCHEDULE

---

Location

Number

001

Address

ALL COVERED LOCATIONS

Covered Property

LEASED/RENTED  
EQUIPMENT

Name and Address of Loss Payee

NATIONAL PUMP & COMPRESSOR  
2138 MAXIM DR  
JOLIET, IL 60436






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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

Policy Number: TRA 5 284 060

| 11 |

WIC Account Number: 1200801619

| M

**Policy  
Period**
**From  
To**

 01/01/12  
01/01/13

 at 12:01 A.M. Standard Time at your  
mailing address shown above.

\*\*\* Effective 03/05/12 this Common Policy declarations amends all prior  
\*\*\* Common Policy declarations and endorses this policy as shown below.

\*\*\*  
\*\*\*

**Business: GENERAL CONTRACTOR****Named Insured is: Corporation**

In return for the payment of the premium, and subject to all terms of this  
policy, we agree with you to provide the insurance as stated in this policy.

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT Additional \$ 73.00  
CRIME AND FIDELITY COVERAGE PART ENDORSEMENT Additional \$ 308.00

Net Additional Premium \$ 381.00

**INLAND MARINE COMPUTER COVERAGE**

1. CHANGED LOC 001 BLDG 001 ITEM # 1  
- COMPUTER SOFTWARE LIMIT FROM N/A TO \$25,000

**CRIME COVERAGE PART ENDORSEMENT**

1. CHANGED COVERAGE AT LOC 001 BLDG 001  
- ADDED EMPLOYEE THEFT COVERAGE  
  . COVERAGE IS BLANKET  
  . LIMIT IS \$75,000  
  . DEDUCTIBLE IS \$1,000  
  . NUMBER OF RATABLE EMPLOYEES IS 16

\*\* This endorsement changes your policy. Please  
attach it to your original policy. \*\*




**WESTFIELD  
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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS  
(Continued)**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13

**at 12:01 A.M. Standard Time at your  
mailing address shown above.**

**Effective 03/05/12 this Common Policy declarations amends all prior  
Common Policy declarations and endorses this policy as shown below.**

**MM  
MM**

**Forms and Endorsements applicable to all coverage parts:**

IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
IL0147 0911 , IL0283 0907 , IL7035 0608 .

**COUNTERSIGNED:** \_\_\_\_\_

Date

BY \_\_\_\_\_

Authorized Representative



**WESTFIELD**  
INSURANCE

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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS**

41

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From** 01/01/12  
**To** 01/01/13**at 12:01 A.M. Standard Time at your  
mailing address shown above.**

**Effective 01/01/12 this Common Policy declarations amends all prior**  
**Common Policy declarations and endorses this policy as shown below.**

**AM**  
**AM**

**Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation

**In return for the payment of the premium, and subject to all terms of this  
 policy, we agree with you to provide the insurance as stated in this policy.**

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT Additional \$ 47.00

**Net Additional Premium** \$ 47.00

**INLAND MARINE DELAY IN COMPLETION BLDERS RISK CVG**

1. ADDED DELAY IN COMPLETION - BLDERS RISK COVERAGE
  - ADDITIONAL SOFT COSTS LIMIT IS \$315,000
  - ADDITIONAL SOFT COSTS OCCURRENCE LIMIT IS \$315,000

**FORMS CHANGES**

1. ADDED FORM IM7080 09/08
2. ADDED FORM IM7079 07/09

**\*\* This endorsement changes your policy. Please  
 attach it to your original policy. \*\***




**WESTFIELD**  
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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**  
 (Continued)
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCIAL DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13
 at 12:01 A.M. Standard Time at your  
 mailing address shown above.

 ✕ Effective 01/01/12 this Common Policy declarations amends all prior  
 ✕ Common Policy declarations and endorses this policy as shown below.

 ✕  
 ✕
**Forms and Endorsements applicable to all coverage parts:**
 IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
 IL0147 0911 , IL0283 0907 , IL7035 0608 .
**COUNTERSIGNED:** \_\_\_\_\_

Date

BY \_\_\_\_\_

Authorized Representative





POLICY NUMBER:

POLICY PERIOD: FROM TO

## DELAY IN COMPLETION SCHEDULE INCLUDES RENTAL INCOME AND INCOME COVERAGE

(The entries required to complete this schedule  
will be shown below or on the "schedule of coverages".)

"Jobsite"

---



---

Check if applicable:

[ ] Attach Additional Delay In Completion Schedule to schedule more "jobsites"

### COVERAGES (check if coverage applies)

#### [ ] Additional Construction Expenses

"Limits"

##### Additional Construction Expenses Limit -

The most "we" pay in any one occurrence  
for additional construction expenses is:

\$ \_\_\_\_\_

Additional Construction Expenses are limited  
to the following expenses as described in the  
Delay In Completion Coverage Part:

- |               |                        |
|---------------|------------------------|
| - Advertising | - Lease Administration |
| - Design Fees | - Professional Fees    |
| - Financing   | - Permit Fees          |

#### [ ] Additional Soft Costs

**30-Day Limit** - The most "we" pay for additional  
soft costs in any 30-day period is:

\$ \_\_\_\_\_

**Occurrence Limit** - The most "we" pay in any  
one occurrence for additional soft costs is:

\$ \_\_\_\_\_

Additional Soft Costs are limited to the following  
soft costs as described in the Delay In Completion  
Coverage Part:

- |                     |                      |
|---------------------|----------------------|
| - Interest Payments | - Lease Expenses     |
| - Realty Taxes      | - Insurance Premiums |



**COVERAGES (cont.)****[ ] Rental Income****"Limits"**

**30-Day Limit** - The most "we" pay for loss of rental income in any 30-day period is:

\$ \_\_\_\_\_

**Occurrence Limit** - The most "we" pay in any one occurrence for loss of rental income is:

\$ \_\_\_\_\_

**[ ] Income Coverage**

**30-Day Limit** - The most "we" pay for loss of income in any 30-day period is:

\$ \_\_\_\_\_

**Occurrence Limit** - The most "we" pay in any one occurrence for loss of income is:

\$ \_\_\_\_\_

**OPTIONAL COVERAGES - Sewer Backup Coverage (check one)**

**[ ] Coverage Not Provided**

**[ ] Coverage Provided**

The most "we" pay in any one occurrence for loss caused by sewer backup is:

\$ \_\_\_\_\_

**COVERAGE EXTENSIONS**

Expenses To Reduce A Loss

Coverage Provided

Ordinance Or Law

Coverage Provided

Interruption By Civil Authority

\_\_\_\_\_ weeks

Limited Fungus Coverage

\_\_\_\_\_ days

**SUPPLEMENTAL COVERAGES**

General Administration Expenses

\$ \_\_\_\_\_

**WAITING PERIOD**

Check one:

**[ ] Not Applicable**

**[ ] Number of Days**

\_\_\_\_\_ days



## DELAY IN COMPLETION COVERAGE PART INCLUDES RENTAL INCOME AND INCOME COVERAGE

Coverage provided under this coverage part is also subject to the "terms" and conditions in the Builders' Risk Coverage form under the sections titled Agreement, Definitions, Property Not Covered, Perils Covered, Perils Excluded, What Must Be Done In Case Of Loss, How Much We Pay, Loss Payment, Other Conditions, and Additional Coverage Limitations.

**Rehabilitation And Renovation Form** - If this coverage part is attached to the Rehabilitation And Renovation Form, the references to "building or structure" are replaced with "rehabilitation or renovation project".

### ADDITIONAL DEFINITIONS

1. "Business" means normal business activities involving a covered "building or structure" once the "building or structure" is completed.
2. "Delay" means an interruption in the construction, erection, or fabrication of a "building or structure" caused by a covered peril.

"Delay" does not mean an interruption in or extension of construction, erection, or fabrication caused by or resulting from a change order, design change, or other action or decision that is independent of direct physical loss or damage caused by a covered peril for which payment is made under the Builders' Risk Coverage form to which this coverage part is endorsed, whether occurring prior to or after such physical loss or damage.

3. "Delay period"

- a. "Delay period" means the period of time the completion of the construction, erection, or fabrication of a covered "building or structure" is "delayed" as a result of direct physical loss or damage caused by a covered peril to property covered under the Builders' Risk Coverage form to which this coverage part is attached.

This is not limited by the expiration date of the policy.

- b. "Delay period" does not mean the increased time:

- (1) required to comply with the enforcement of any ordinance, law, or decree that:

- (a) regulates the use or repair of any property; and

- (b) requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way re-

spond to or assess the effects of "pollutants".

- (2) caused by or resulting from a change order, design change, or other action or decision that is independent of direct physical loss or damage caused by a covered peril for which payment is made under the Builders' Risk Coverage form to which this coverage part is endorsed, whether occurring prior to or after such physical loss or damage.

4. "Expenses and losses" means:

- a. expenses and costs as described under Additional Construction Expenses and Additional Soft Costs; and
- b. loss of income as described under Rental Income and Income Coverage.

Expenses, costs and loss of income only apply to the definition of "expenses and losses" if coverage is indicated on the Delay In Completion Schedule for Additional Construction Expenses, Additional Soft Costs, Rental Income, and/or Income Coverage.

### COVERAGES

1. **Additional Construction Expenses** - If coverage for Additional Construction Expenses is indicated on the Delay In Completion Schedule, "we" provide the following coverage:

- a. **Coverage** - "We" pay for additional construction expenses incurred during the "delay period".
- b. **Coverage Limitation** - "We" only cover additional construction expenses that arise out of a "delay" to a "building or structure" at a "jobsite" described on the Delay In Completion Schedule.

- c. **Additional Construction Expenses Means** - Additional construction expenses means the necessary and reasonable expenses relating to the construction, erection, or fabrication of a covered "building or structure" that are over and above those expenses that would have been incurred had there been no "delay period".

Additional construction expenses are limited to:

- (1) **Advertising** - Additional advertising, public relations, and promotional expenses.

- (2) **Design Fees** - Additional fees for architects, interior designers, consultants, and other technical advisors, and engineers.
  - (3) **Financing** - Additional cost of financing. Additional cost of financing means additional:
    - (a) fees for letters of credit and trusts; and
    - (b) commissions and loan fees incurred in rearranging financing for the project.
  - (4) **Lease Administration** - The cost of administrative expenses and commissions that result from the renegotiation of leases.
  - (5) **Professional Fees** - Additional fees for accountants and attorneys but only to the extent that services for which those fees are being claimed were being provided prior to the date of the direct physical loss or damage that caused the "delay period". Professional fees do not include fees incurred to prepare an insurance claim, measure a loss incurred because of a "delay period", or to analyze insurance coverage.
  - (6) **Permit Fees** - Additional fees for renewing or replacing construction permits or other licenses and permits necessary to continue construction.
- d. **Limit** - The most "we" pay for loss in any one occurrence is the Additional Construction Expenses Limit indicated on the Delay In Completion Schedule.
2. **Additional Soft Costs** - If coverage for Additional Soft Costs is indicated on the Delay In Completion Schedule, "we" provide the following coverage:
- a. **Coverage** - "We" pay for soft costs incurred during the "delay period".
  - b. **Coverage Limitation** - "We" only cover soft costs that arise out of a "delay" to a "building or structure" at a "jobsite" described on the Delay In Completion Schedule.
  - c. **Soft Costs Means** - Soft costs means the necessary and reasonable costs relating to the construction, erection, or fabrication of a covered "building or structure" that are over and above those costs that would have been incurred had there been no "delay period".
- Soft costs are limited to:
- (1) **Interest Payments** - Additional interest payments on money borrowed to finance construction, remodeling, renovation, or repair including increased interest payments due to a rise in interest rates.
  - (2) **Realty Taxes** - Additional realty taxes and other assessments that "you" incur for the period of time that construction has been extended beyond the projected completion date.
  - (3) **Lease Expenses** - The additional cost to extend leases for construction equipment and temporary office space.
  - (4) **Insurance Premiums** - Additional cost of insurance premiums necessary to renew or extend insurance coverage.
- d. **Limits**
- (1) **30-Day Limit** - The most "we" pay in any 30-day period is the Additional Soft Costs 30-Day Limit indicated on the Delay In Completion Schedule.
  - (2) **Occurrence Limit** - The most "we" pay for loss in any one occurrence is the Additional Soft Costs Occurrence Limit indicated on the Delay In Completion Schedule.
3. **Rental Income** - If coverage for Rental Income is indicated on the Delay In Completion Schedule, "we" provide the following coverage:
- a. **Coverage** - "We" pay for actual loss of rental income incurred during the "delay period".
  - b. **Coverage Limitation** - "We" only cover loss of rental income that arises out of a "delay" to a "building or structure" at a "jobsite" described on the Delay In Completion Schedule.
  - c. **Deduction From Loss Of Rental Income** - Expenses that do not necessarily continue because of a "delay" will be deducted from the loss of rental income.
- d. **Limits**
- (1) **30-Day Limit** - The most "we" pay in any 30-day period is the Rental Income 30-Day Limit indicated on the Delay In Completion Schedule.
  - (2) **Occurrence Limit** - The most "we" pay for loss in any one occurrence is the Rental Income Occurrence Limit indicated on the Delay In Completion Schedule.
4. **Income Coverage** - If coverage for Income Coverage is indicated on the Delay In Completion Schedule, "we" provide the following coverage:

a. **Coverage** - "We" pay for actual loss of net income incurred during the "delay period".

b. **Coverage Limitations** - "We" only cover:

- (1) the actual loss of net income (net profit or loss before income taxes) that would have been earned or incurred and continuing operating expenses normally incurred by the "business", including, but not limited to, payroll expense; and
- (2) loss of net income that arises out of a "delay" to a "building or structure" at a "jobsite" described on the Delay In Completion Schedule.

c. **Limit**

- (1) **30-Day Limit** - The most "we" pay in any 30-day period is the Income Coverage 30-Day Limit indicated on the Delay In Completion Schedule.
- (2) **Occurrence Limit** - The most "we" pay for loss in any one occurrence is the Income Coverage Occurrence Limit indicated on the Delay In Completion Schedule.

## OPTIONAL COVERAGES

**Provisions That Apply To Optional Coverages** - The "limit" for this Optional Coverage is separate from, and not part of, the applicable "limits" for Additional Construction Expenses, Additional Soft Costs, Rental Income, and Income Coverage.

The "limit" available for coverage described under this Optional Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for an Optional Coverage and the "limit" for "expenses and losses".

The "limit" provided under this Optional Coverage cannot be combined or added to the "limit" for any Coverage Extensions or Supplemental Coverages.

### Sewer Backup

1. **Coverage** - If coverage is indicated on the Delay In Completion Schedule, "we" extend "your" coverage under this coverage part for "expenses and losses" incurred during the "delay period" and resulting from direct physical loss or damage to a covered "building or structure" caused by:
  - a. water or waterborne material that backs up, overflows or is otherwise discharged through a sewer or drain, sump or septic tank; or
  - b. water or waterborne material below the surface of the ground, including but not

limited to water or waterborne material that exerts pressure on or flows, seeps, or leaks through or into a covered "building or structure", sidewalk, driveway, foundation, swimming pool, or other structure.

2. **Coverage Limitation** - "We" do not cover "expenses and losses" incurred during the "delay period" if loss or damage results from:

- a. escape of water or waterborne material from a sump pit not equipped with a sump pump;
- b. failure to perform routine maintenance and repair of all sump pumps and related equipment; and
- c. failure to perform routine maintenance of sewers and drains including keeping sewers and drains free from obstructions. This limitation does not apply if "you" are not responsible for the maintenance of sewers or drains that result in loss or damage.

## COVERAGE EXTENSIONS

The coverages provided below are part of and not in addition to the applicable "limits" for Additional Construction Expenses, Additional Soft Costs, Rental Income, and Income Coverage.

1. **Expenses To Reduce A Loss** - "We" pay for expenses incurred during the "delay period" that are necessarily incurred by "you" for the purpose of expediting the repair or replacement of the part of the covered property that sustains direct physical loss or damage.

However, "we" only pay for necessarily incurred expenses to the extent that the amount of loss or damage otherwise payable under this coverage part is reduced.

2. **Ordinance Or Law**

a. **Coverage** - Coverage under this coverage part for "expenses and losses" is extended for the increased time of "delay" caused by the enforcement of any ordinance, law, or decree that:

- (1) regulates the construction, use, or repair of a covered "building or structure"; or
- (2) requires the demolition of a covered "building or structure", in part or in whole, not damaged by a covered peril.

b. **Coverage Limitations** - Coverage is not extended to include "delay" caused by the enforcement of any ordinance, law, or decree that:

- (1) is not in force at the time of loss; or

- (2) regulates or requires the testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

on the Delay In Completion Schedule) for "expenses and losses" sustained during the "delay period".

The days need not be successive.

### 3. Interruption By Civil Authority

- a. **Coverage** - "We" extend coverage under this coverage part for "expenses and losses" while access to a covered "building or structure" is specifically denied by an order of civil authority.
- b. **Coverage Limitations** - The order of civil authority must be a result of direct physical loss of or damage to property other than at "your" "jobsite" and must be caused by a covered peril.
- c. **Time Limitation** - This extension is limited to two consecutive weeks from the date of the order (unless otherwise indicated on the Delay In Completion Schedule).

### 4. Limited Fungus Coverage

- a. **Coverage** - "We" extend "your" coverage under this coverage part to include "expenses and losses" that arise out of a "delay" resulting from direct physical loss or damage to a "building or structure" caused by "fungus".
- b. **Coverage Limitations** - "We" only cover "expenses and losses" resulting from "fungus":

- (1) when the "fungus" is the result of:

(a) a "specified peril" other than fire or lightning; or

(b) "flood" (if the Flood Coverage is provided);

that occurs during the policy period; and

- (2) if all reasonable steps were taken to protect the covered property from additional damage at and after the time of the occurrence.

#### c. Time Limitation

- (1) "We" will pay up to 30 days (unless otherwise indicated on the Delay In Completion Schedule) for "expenses and losses" if a loss which resulted in "fungus" does not in itself "delay" construction, but such "delay" is necessary due to the loss or damage to property caused by "fungus". The days need not be successive.
- (2) If a covered "delay" was caused by loss or damage other than "fungus" but remediation of "fungus" lengthens the "delay", "we" will pay up to 30 days (unless otherwise indicated

### SUPPLEMENTAL COVERAGES

The "limit" for this Supplemental Coverage is separate from, and not part of, the applicable "limits" for coverage described for Additional Construction Expenses, Additional Soft Costs, Rental Income, and Income Coverage. The "limit" available for coverage described under this Supplemental Coverage is the only "limit" available for the coverage.

#### General Administration Expenses

- a. **Coverage** - "We" pay for the cost of general administrative and overhead expenses for additional clerical personnel, additional security costs, and other similar expenses incurred during the "delay period".
- b. **Coverage Limitation** - "We" only cover general administration expenses that arise out of a "delay" to a "building or structure" at a "jobsite" described on the Delay In Completion Schedule.
- c. **Expenses Means** - Expenses means the necessary and reasonable expenses relating to the construction, erection, or fabrication of a covered "building or structure" that are over and above those costs that would have been incurred had there been no "delay period".
- d. **Limit** - The most "we" pay in any one occurrence for general administration expenses is \$50,000.

If a different "limit" is indicated on the Delay In Completion Schedule, that "limit" will apply instead of the "limit" shown above.

### ADDITIONAL PERILS EXCLUDED

Other exclusions relating to Perils Excluded also apply. These exclusions are shown in the Builders' Risk Coverage form.

"We" do not pay for any additional expenses, costs, or losses due to any increase in the "delay period" caused directly or indirectly by one or more of the following excluded causes or events, regardless of any other causes or events that contribute to the "delay period", whether such causes or events act before, at the same time as, or after the excluded causes or events:

- 1. **Additional Time** - Additional time that would be required to replace or repair any part of a covered "building or structure" due to:
  - a. adverse weather conditions;
  - b. ordinances or laws requiring the use of construction materials or equipment that are different from the property that is destroyed (except as provided under Coverage Extensions);



- c. ordinances or laws requiring "you" to test, evaluate, observe, or record the existence, level, or effects of "pollutants"; or
  - d. improvements necessary to correct deficiencies of original construction, erection, or fabrication.
2. **Change Order** - Any change order, design change, or other action or decision which results in a "delay" in the completion of the covered project and is independent of direct physical loss or damage caused by a covered peril for which payment is made under the Builders' Risk Coverage form to which this coverage part is endorsed, whether occurring prior to or after such physical loss or damage.
  3. **Consequential Loss** - Consequential loss.
  4. **Customs Regulations** - Any import, export or customs restrictions and/or regulations.
  5. **Fire Extinguishment** - Expenses to put out a fire.
  6. **Interruption Of Utility Service** - Interruption of incoming electricity, fuel, water, gas, steam, refrigerant, or any other utility service needed to proceed or resume construction, erection, or fabrication.
  7. **Lack Of Funds** - Lack of or non-availability of funds.
  8. **Leases, Licenses, Contracts, Or Orders** - Suspension, lapse, or cancellation of leases, licenses, contracts, or orders.  
  
However, "we" do cover loss if the suspension, lapse, or cancellation results directly from a covered "delay".
  9. **Property Not Covered** - Loss or damage to property that is not covered property under the Builders' Risk Coverage form to which this coverage part is endorsed.
  10. **Strikes And Other Interference** - Interference by strikers or other persons. This applies to interference with repairing or replacing the covered property or with resuming construction of the covered property.
  11. **Unnecessary Expenses** - Expenses that:
    - a. are not necessary during construction of the covered "building or structure"; and
    - b. exceed the amount by which a loss is reduced.

#### WHAT MUST BE DONE IN CASE OF LOSS

Other "terms" relating to What Must Be Done In Case Of Loss may also apply. These are shown in the Builders' Risk Coverage form.

1. **Due Diligence To Rebuild Or Restore** - "We" only pay for "expenses and losses" under this

coverage part during the period of time that would be required with due diligence and dispatch to rebuild or restore the damaged "building or structure" with materials of like kind and quality. "You" must do everything reasonably possible to minimize covered "expenses and losses".

2. **Intent To Start Or Continue Business** - If it is the intention to start or continue the "business", all or part of the "business" must be commenced or resumed as soon as possible.
3. **Interference And Access**
  - a. **Minimize Interference** - "You" must minimize any interference with the construction schedule to avoid or reduce any resulting "delay".
  - b. **Allow Access** - "You" must also allow "us" access to the covered "building or structure" so that "we" can negotiate with the contractors, subcontractors, manufacturers, suppliers, or other involved parties to:
    - (1) establish the cause and extent of the loss to the covered "building or structure";
    - (2) establish the amount of covered "expenses and losses"; and
    - (3) determine and suggest methods to minimize or avoid the "delay" in construction, repairing, remodeling, or renovation.

#### VALUATION

Other "terms" relating to Valuation may also apply. These are shown in the Builders' Risk Coverage form.

**Determining An Income Coverage Loss** - In determining an Income Coverage loss, "we" consider:

1. the probable experience during the time of "delay" had no loss occurred;
2. continuing operating expenses normally incurred by the "business", including, but not limited to, payroll expense necessary to resume "business" to a similar level that existed before the occurrence of direct physical loss or damage; and
3. pertinent sources of information and reports including:
  - a. accounting procedures and financial records;
  - b. bills, invoices, and other vouchers;
  - c. contracts, deeds, and liens;
  - d. reports on feasibility and status; and
  - e. records documenting the budget and marketing objectives and results.

#### **HOW MUCH WE PAY**

Other "terms" relating to How Much We Pay may also apply. These are shown in the Builders' Risk Coverage form.

1. **Deductible** - Covered expenses as described under Coverages, Additional Construction Expenses and Supplemental Coverages, General Administration Expenses are included as part of the deductible provisions described in the Builders' Risk Coverage form.
2. **Waiting Period** - If a waiting period is indicated on the Delay In Completion Schedule, "we" do not pay for:

- a. additional soft costs;
- b. loss of rental income; or
- c. loss of net income

until after the number of days indicated on the schedule have passed.

This waiting period does not apply to Additional Construction Expenses.

#### **ADDITIONAL CONDITIONS**

The following condition applies as it relates to this coverage part, other "terms" also apply. These "terms" are described in the Builders' Risk Coverage form.

**Appraisal For Delay In Completion** - If "you" and "we" do not agree on the amount of loss or expenses, these amounts will be determined in accordance with the provisions described in the Builders' Risk Coverage form under Other Conditions, Appraisal.


**WESTFIELD  
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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS**

<b>COMPANY PROVIDING COVERAGE</b>		<b>WESTFIELD INSURANCE COMPANY</b>			
<b>NAMED INSURED AND MAILING ADDRESS</b>		<b>AGENCY</b>	<b>12-01151</b>	<b>PROD.</b>	<b>000</b>
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073		MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300			
<b>Policy Number: TRA 5 284 060</b>		<b>11</b>	<b>WIC Account Number: 1200801619</b>		<b>M</b>
<b>Policy Period</b>	<b>From To</b>	<b>01/01/12 01/01/13</b>			
<b>at 12:01 A.M. Standard Time at your mailing address shown above.</b>					
<del>xxx</del> Effective 01/01/12 this Common Policy declarations amends all prior <del>xxx</del> <del>xxx</del> Common Policy declarations and endorses this policy as shown below. <del>xxx</del>					
<b>Business: GENERAL CONTRACTOR</b>			<b>Named Insured is: Corporation</b>		
<b>In return for the payment of the premium, and subject to all terms of this policy, we agree with you to provide the insurance as stated in this policy.</b>					

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT	Additional \$	9,923.00
CRIME AND FIDELITY COVERAGE PART ENDORSEMENT	Additional	Included

Net Additional Premium \$ 9,923.00

**INLAND MARINE COVERAGE PART ENDORSEMENT**

1. CHANGED COVERAGE AT LOC 002 BLDG 001
  - CHANGED ADDRESS
  - FROM 20 VOLO VILLAGE ROAD  
VOLO IL 60073
  - TO 20 VOLO VILLAGE ROAD  
FLOOD COVERAGE IS INCLUDED  
VOLO IL 60073
2. ADDED COVERAGE AT LOC 003 BLDG 001
  - OCCUPANCY IS BUILDERS RISK
  - ADDRESS IS  
64 OLD BARN ROAD  
LAKE BARRINGTON IL 60010
  - STATE IS ILLINOIS
  - TERRITORY IS 250
  - CONSTRUCTION IS FRAME
  - PROTECTION CLASS IS 9
  - BUILDING CLASS IS 0567
  - TAX LOCATION IS 4012
3. ADDED COVERAGE AT LOC 004 BLDG 001
  - OCCUPANCY IS BUILDERS RISK
  - ADDRESS IS  
200 MAIN STREET  
WEST CHICAGO IL 60185
  - STATE IS ILLINOIS




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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS  
(Continued)**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13**at 12:01 A.M. Standard Time at your  
mailing address shown above.**

**Effective 01/01/12 this Common Policy declarations amends all prior  
Common Policy declarations and endorses this policy as shown below.**

**MM  
MM**

- TERRITORY IS 115
- CONSTRUCTION IS FRAME
- PROTECTION CLASS IS 3
- BUILDING CLASS IS 0567
- TAX LOCATION IS 7200

**4. ADDED COVERAGE AT LOC 005 BLDG 001**

- OCCUPANCY IS BUILDERS RISK
- ADDRESS IS  
209 N YORK STREET  
ELMHURST IL 60126
- STATE IS ILLINOIS
- TERRITORY IS 115
- CONSTRUCTION IS FRAME
- PROTECTION CLASS IS 2
- BUILDING CLASS IS 0567
- TAX LOCATION IS 1528

**5. ADDED COVERAGE AT LOC 006 BLDG 001**

- OCCUPANCY IS BUILDERS RISK
- ADDRESS IS  
2301 E SAND LAKE ROAD  
LINDENHURST IL 60046
- STATE IS ILLINOIS
- TERRITORY IS 250
- CONSTRUCTION IS FRAME
- PROTECTION CLASS IS 7
- BUILDING CLASS IS 0567
- TAX LOCATION IS 5108

**6. ADDED COVERAGE AT LOC 007 BLDG 001**

- OCCUPANCY IS BUILDERS RISK
- ADDRESS IS  
201 S BLOOMINGDALE RD  
BLOOMINGDALE IL 60108
- STATE IS ILLINOIS
- TERRITORY IS 115
- CONSTRUCTION IS FRAME
- PROTECTION CLASS IS 2
- BUILDING CLASS IS 0567
- TAX LOCATION IS 5022

**7. ADDED COVERAGE AT LOC 008 BLDG 001**

- OCCUPANCY IS BUILDERS RISK
- ADDRESS IS  
66 THILLEN DRIVE  
FOX LAKE IL 60020
- STATE IS ILLINOIS
- TERRITORY IS 250
- CONSTRUCTION IS FRAME
- PROTECTION CLASS IS 5
- BUILDING CLASS IS 0567
- TAX LOCATION IS 1597




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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS  
(Continued)**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
220 COMMERCIAL DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13**at 12:01 A.M. Standard Time at your  
mailing address shown above.**

XX Effective 01/01/12 this Common Policy declarations amends all prior  
XX Common Policy declarations and endorses this policy as shown below.

XX  
XX

8. ADDED COVERAGE AT LOC 009 BLDG 001
- OCCUPANCY IS BUILDERS RISK
  - ADDRESS IS  
200 INDUSTRIAL AVE  
FOX LAKE IL 60020
  - STATE IS ILLINOIS
  - TERRITORY IS 250
  - CONSTRUCTION IS FRAME
  - PROTECTION CLASS IS 5
  - BUILDING CLASS IS 0567
  - TAX LOCATION IS 1597

**INLAND MARINE BUILDERS' RISK COVERAGE**

1. DELETED BUILDER'S RISK COVERAGE
2. ADDED BUILDER'S RISK COVERAGE
  - DEDUCTIBLE IS \$1,000
  - COVERAGE TYPE IS BLDG RISK SCH JOBSITE COMP FORM
  - REPORTING TYPE IS NR
  - COINSURANCE IS 100
  - CATASTROPHE LIMIT IS \$11,000,000

**INLAND MARINE BUILDERS' RISK SCHEDULE LOCATION**

1. DELETED LOC 001 BLDG 001 ITEM # 1
2. ADDED LOC 003 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$1,027,700
3. ADDED LOC 004 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$124,900
4. ADDED LOC 005 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$3,758,000
5. ADDED LOC 006 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$10,200,000
6. ADDED LOC 007 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$3,861,252
7. ADDED LOC 008 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$3,605,434
8. ADDED LOC 009 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$4,769,423

**INLAND MARINE DELAY IN COMPLETION BLDG RISK CVG**

1. DELETED DELAY IN COMPLETION - BLDG RISK COVERAGE

**INLAND MARINE EARTHQUAKE SUBLIMIT BLDG RISK COVG**

1. DELETED EARTHQUAKE SUBLIMIT BLDG RISK COVERAGE






**WESTFIELD**  
**INSURANCE**

Sharing Knowledge. Building Trust.®

**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**  
 (Continued)
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

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 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMENCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

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**WIC Account Number:** 1200801619

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**Policy  
Period****From  
To**01/01/12  
01/01/13
 at 12:01 A.M. Standard Time at your  
 mailing address shown above.

 \*\* Effective 01/01/12 this Common Policy declarations amends all prior  
 \*\* Common Policy declarations and endorses this policy as shown below.

 \*\*  
 \*\*

## 2. ADDED EARTHQUAKE SUBLIMIT BLDRS RISK COVERAGE

- EARTHQUAKE LIMIT IS \$1,000,000
- OCCURRENCE LIMIT IS \$15,000,000
- CATASTROPHE LIMIT IS \$5,000,000
- EARTHQUAKE DEDUCTIBLE IS \$25,000
- EARTHQUAKE ZONE IS F

**FORMS CHANGES**

1. DELETED FORM IM7080 09/08
2. DELETED FORM IM7079 07/09

 \*\* This endorsement changes your policy. Please  
 attach it to your original policy. \*\*
**Forms and Endorsements applicable to all coverage parts:**
 IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
 IL0147 0911 , IL0283 0907 , IL7035 0608 .

COUNTERSIGNED: \_\_\_\_\_ Date \_\_\_\_\_ BY \_\_\_\_\_ Authorized Representative \_\_\_\_\_



## BUILDERS' RISK COVERAGE SCHEDULED JOBSITE FORM COMPREHENSIVE FORM

In this coverage form, the words "you" and "your" mean the persons or organizations named as the insured on the declarations and the words "we", "us", and "our" mean the company providing this coverage.

Refer to the Definitions section at the end of this coverage form for additional words and phrases that have special meaning. These words and phrases are shown in quotation marks.

### AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Builders' Risk Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

### PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

#### Course Of Construction

1. **Coverage** - "We" cover direct physical loss or damage caused by a covered peril to "buildings or structures" while in the course of construction, erection, or fabrication.
2. **Scaffolding, Fencing, And Temporary Structures** - "We" also cover direct physical loss or damage caused by a covered peril to:
  - a. scaffolding, construction forms, or temporary fencing; and
  - b. temporary structures.
3. **Coverage Limitation** - "We" only cover:
  - a. "buildings or structures" in the course of construction; and
  - b. scaffolding, construction forms, temporary fencing, and temporary structures
 at the "jobsite" described on the "schedule of coverages".
4. **We Do Not Pay** - "We" do not pay for any penalties for:

- a. non-completion or late completion of a "building or structure" in accordance with the provisions or conditions in the construction contract; or
- b. non-compliance with any provisions or conditions in the construction contract.

### PROPERTY NOT COVERED

1. **Aircraft Or Watercraft** - "We" do not cover aircraft or watercraft.
2. **Contraband** - "We" do not cover contraband or property in the course of illegal transportation or trade.
3. **Land** - "We" do not cover land including land on which covered property is located.
4. **Money And Securities** - "We" do not cover accounts, bills, currency, food stamps, or other evidences of debt, lottery tickets not held for sale, money, notes, or securities.
5. **Not A Permanent Part Of Building** - Except as provided under Supplemental Coverages - Personal Property, "we" do not cover:
  - a. materials and supplies;
  - b. machinery, tools, and equipment; and
  - c. business personal property
 that will not become a permanent part of a covered "building or structure".
6. **Roadways And Walkways** - "We" do not cover walkways, roadways, and other paved surfaces that are:
  - a. more than 1,000 feet from; or
  - b. not next to nor part of
 covered "buildings or structures".
7. **Standing Building Or Structure**
  - a. "We" do not cover any:
    - (1) standing "building or structure"; or
    - (2) part of a standing "building or structure"
 that has been wholly or partially constructed, erected, or fabricated prior to the inception of this policy.

- b. "We" do not cover any standing "building or structure" in the process of rehabilitation or renovation. Rehabilitation and renovation includes, but is not limited to, any additions, alterations, improvements, or repairs to an existing "building or structure".
- 8. **Trees, Shrubs, Or Plants** - Except as provided under Supplemental Coverages - Trees, Shrubs, And Plants, "we" do not cover trees, shrubs, plants, or lawns.
- 9. **Vehicles** - "We" do not cover automobiles or any self-propelled vehicles that are designed for highway use.
- 10. **Waterborne Property** - Except as provided under Coverage Extensions - Waterborne Property, "we" do not cover property while waterborne except while in transit in the custody of a carrier for hire.

### COVERAGE EXTENSIONS

**Provisions That Apply To Coverage Extensions** - The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage, including a Coverage Extension, Supplemental Coverage, or other coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

#### 1. Debris Removal

- a. **Coverage** - "We" pay the cost of debris removal. Debris removal means the costs for the demolition, clearing, and removal of debris of covered property if such debris results from a covered peril.
- b. **We Do Not Cover** - This coverage does not include costs to:
  - (1) extract "pollutants" from land or water; or

- (2) remove, restore, or replace polluted land or water.

- c. **Limit** - "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss or damage exclusive of the costs for debris removal. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
- d. **Additional Limit** - "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
- e. **You Must Report Your Expenses** - "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

#### 2. Emergency Removal

- a. **Coverage** - "We" cover any direct physical loss or damage to covered property while it is being moved or being stored to prevent a loss caused by a covered peril.
- b. **Time Limitation** - This coverage applies for up to ten days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.

#### 3. Emergency Removal Expenses

- a. **Coverage** - "We" pay for "your" expenses to move or store covered property to prevent a loss caused by a covered peril.
- b. **Time Limitation** - This coverage applies for up to ten days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.
- c. **Limit** - The most "we" pay in any one occurrence for expenses to move or store covered property to prevent a loss is \$10,000.
- d. **This Is A Separate Limit** - The "limit" for Emergency Removal Expenses is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

#### 4. Fraud And Deceit

- a. **Coverage** - "We" cover theft of covered property when "you", "your" agents, customers, or consignees are fraudulently induced to part with the covered property;

- (1) to persons who falsely represent themselves as the proper persons to receive the property;
- (2) by the acceptance of fraudulent bills of lading or shipping receipts; or
- (3) as a result of or directly related to the use of any electronic data processing hardware or software.

b. **Limit** - The most "we" pay in any one occurrence for theft of covered property under this Coverage Extension is \$50,000.

## 5. Limited Fungus Coverage

a. **Coverage** - "We" pay for:

- (1) costs and expenses arising out of the presence of "fungus" on covered property caused by or resulting from a covered peril; and
- (2) direct physical loss or damage to covered property caused by or relating to the existence of or any activity of "fungus".

b. **Coverage Limitation** - "We" only provide the coverage described in item 5.a. above:

- (1) when the "fungus" is the result of:
  - (a) a "specified peril" other than fire or lightning; or
  - (b) "flood" (if Flood Coverage is provided under this policy);

that occurs during the policy period; and

- (2) if all reasonable steps were taken to protect the property from additional damage at and after the time of the occurrence.

c. **Limited Fungus Coverage Limit** - The most "we" pay for all loss or damage covered by this Coverage Extension at all "buildings or structures" is \$15,000, unless another "limit" is indicated on the "schedule of coverages". The Limited Fungus Coverage Limit applies regardless of the number of claims made.

The Limited Fungus Coverage Limit applies regardless of the number of locations or "buildings or structures" insured under this policy.

The Limited Fungus Coverage Limit is the most that "we" pay for the total of all loss or damage arising out of all occurrences of "specified perils", other than fire or lightning, or "flood" (if applicable) during each separate 12-month period beginning with the inception date of this policy.

d. **If The Policy Period Is Extended** - If the policy period is extended for an additional period of less than 12 months, this additional period will be considered part of the preceding period for the purpose of determining the Limited Fungus Coverage Limit.

e. **Recurrence And Continuation Of Fungus** - The Limited Fungus Coverage Limit is the most that "we" pay with respect to a specific occurrence of a loss which results in "fungus" even if such "fungus" recurs or continues to exist during this or any future policy period.

f. **Limited Fungus Coverage Limit Applies To Other Costs Or Expenses** - The Limited Fungus Coverage Limit also applies to any cost or expense to:

- (1) clean up, contain, treat, detoxify, or neutralize "fungus" on covered property or remove "fungus" from covered property;
- (2) remove and replace those parts of covered property necessary to gain access to "fungus"; and
- (3) test for the existence or level of "fungus" following the repair, replacement, restoration, or removal of damaged property if it is reasonable to believe that "fungus" is present.

g. **Loss Not Caused By Fungus** - If there is a covered loss or damage to covered property not caused by "fungus", loss payment will not be limited by the "terms" of this coverage extension. However, to the extent that "fungus" causes an increase in the loss, that increase is subject to the "terms" of this Coverage Extension.

## 6. Waterborne Property

a. **Coverage** - "We" cover direct physical loss or damage caused by a covered peril to covered property while waterborne.

b. **Limit** - The most "we" pay in any one occurrence for loss to waterborne property is \$10,000.

## SUPPLEMENTAL COVERAGES

### Provisions That Apply To Supplemental Coverages

- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension, including a Supplemental Coverage, Coverage Extension, or other coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following Supplemental Coverages are not subject to and not considered in applying coinsurance conditions.

#### 1. Expediting Expenses

- a. **Coverage** - When a covered peril occurs to a covered "building or structure", "we" pay for reasonable expediting expenses necessary to complete construction within the time frame specified in the construction contract.

Expediting expenses include, but are not limited to, additional:

- (1) labor or overtime;
- (2) transportation costs and storage expense;
- (3) expense to rent additional equipment; and
- (4) similar construction expenses.

- b. **Limit** - The most "we" pay in any one occurrence for all expediting expenses is \$10,000.

#### 2. Expense To Re-Erect Scaffolding

- a. **Coverage** - "We" pay "your" expense to re-erect scaffolding after a covered loss to a covered "building or structure".
- b. **Limit** - The most "we" pay for expense to re-erect scaffolding is \$5,000.

#### 3. Fire Department Service Charges

- a. **Coverage** - "We" cover "your" liability, assumed by contract or agreement prior to the loss, for fire department service charges.

- b. **Coverage Limitations** - "We" only pay for:

- (1) fire department service charges that relate to covered property; and
- (2) charges incurred when the fire department is called to save or protect covered property from a covered peril.

- c. **Limit** - The most "we" pay in any one occurrence for "your" liability for fire department service charges is \$1,000.

No deductible applies to this Supplemental Coverage.

#### 4. Ordinance Or Law (Undamaged Parts Of A Building)

- a. **Coverage** - When a covered peril occurs to a covered "building or structure", "we" pay for the value of undamaged parts of a covered "building or structure" that is required to be demolished as a result of the enforcement of any ordinance, law, or decree that:

- (1) requires the demolition of undamaged parts of a covered "building or structure" that is damaged or destroyed by a covered peril;
- (2) regulates the construction or repair of a "building or structure", or establishes building, zoning, or land use requirements at a covered "jobsite"; and
- (3) is in force at the time of loss.

- b. **We Do Not Cover** - "We" do not cover:

- (1) the costs associated with the enforcement of any ordinance, law, or decree that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to or assess the effects of "pollutants";
- (2) loss or increased cost caused by the enforcement of any ordinance, law, or decree that requires the reconstruction, repair, replacement, remodeling, remediation, or razing of property due to the existence of or any activity of "fungus"; or
- (3) costs associated with the enforcement of any ordinance, law, or decree that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "fungus".

- c. **Coverage Limitation** - This coverage is part of and not in addition to the applicable "limit" for coverage described under Property Covered.

**5. Ordinance Or Law (Increased Cost To Repair And Cost To Demolish/Clear Site)**

**a. Increased Cost To Repair**

**(1) Coverage** - When a covered peril occurs to a covered "building or structure", "we" cover the increased cost to repair, rebuild, or reconstruct;

**(a)** damaged portions of a covered "building or structure"; and

**(b)** undamaged portions of a covered "building or structure" whether or not those undamaged portions need to be demolished;

as a result of the enforcement of building, zoning, or land use ordinance, law, or decree and is in force at the time when a covered peril occurs to a covered "building or structure".

**(2) If The Building Is Repaired Or Rebuilt** - If a covered "building or structure" is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by building, zoning, or land use ordinance, law, or decree.

**(3) Coverage Limitation** - "We" do not cover the increased cost of construction until the covered "building or structure" is actually repaired or replaced, whether at the same or another location, and unless the repairs or replacement are made as soon as reasonably possible after the loss, not to exceed two years. The period for repair or replacement may be extended by "us" in writing during the two year period.

**b. Cost To Demolish And Clear Site** - "We" cover the cost to demolish and clear the site of undamaged parts of the covered "building or structure" that is damaged or destroyed by a covered peril. The demolition must be a result of the enforcement of a building, zoning, or land use ordinance, law, or decree that is in force at the time when a covered peril occurs to a covered "building or structure".

**c. We Do Not Cover** - "We" do not cover:

**(1)** the costs associated with the enforcement of any ordinance, law, or decree:

**(a)** that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat,

detoxify, or neutralize or in any way respond to or assess the effects of "pollutants";

**(b)** that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "fungus"; or

**(c)** "you" were required to comply with before the covered peril occurred to a covered "building or structure", even if the "building or structure" was undamaged and "you" failed to comply with the ordinance, law, or decree; or

**(2)** loss or increased cost caused by the enforcement of any ordinance, law, or decree that requires the reconstruction, repair, replacement, remodeling, remediation, or razing of property due to the existence of or any activity of "fungus".

**d. What We Pay**

**(1) If The Building Is Repaired Or Replaced At Same Site Or Opt To Build At Another Location** - If the covered "building or structure" is repaired or replaced at the same location or "you" opt to build at another location, "we" pay the lesser of:

**(a)** the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure", plus the actual increased cost to repair, rebuild, or construct the property but not for more than a "building or structure" of the same height, floor area, and style at the same location; or

**(b)** \$50,000.

**(2) If The Building Is Repaired Or Replaced And Required By Ordinance Or Law To Relocate** - If the covered "building or structure" is rebuilt at the new location due to an ordinance or law requirement, "we" pay the lesser of:

**(a)** the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure", plus the actual increased cost to construct a "building or structure" of the same height, floor area, and style at a new location; or

**(b)** \$50,000.



- (3) **If The Building Is Not Repaired Or Replaced** - If the covered "building or structure" is not repaired or replaced, "we" pay the lesser of:

(a) the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure"; or

(b) \$50,000.

## 6. Personal Property

- a. **Coverage** - "We" cover direct physical loss or damage caused by a covered peril to business personal property that will not become a permanent part of a covered "building or structure".
- b. **Coverage Limitation** - "We" only cover business personal property while being installed or stored in a covered "building or structure".
- c. **Limit** - The most "we" pay in any one occurrence for loss to personal property is \$10,000.

## 7. Pollutant Cleanup And Removal

- a. **Coverage** - "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** - The expense to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.
- c. **We Do Not Cover** - "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.

- d. **Limit** - The most "we" pay for each location is \$25,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

## 8. Rewards

### a. Coverage

- (1) "We" pay a reward to an eligible person for information leading to the arrest and conviction of any person or persons committing arson, theft,

or vandalism. The conviction must involve a covered loss, under this policy, caused by arson, theft, or vandalism.

- (2) "We" pay a reward to an eligible person for the return of stolen Covered Property, when the loss is caused by theft.

- b. **Eligible Person Means** - An eligible person under this Supplemental Coverage means the first person to voluntarily provide the applicable law enforcement agency with the necessary information or return the stolen Covered Property.

An eligible person cannot be:

- (1) "you" or any family member;
- (2) "your" employee or any of his or her family members;
- (3) an employee of the applicable law enforcement agency;
- (4) any person who had custody of the covered property at the time the property was stolen; or
- (5) any person involved in the crime.

- c. **Coverage Limitations** - There will be no reward payment unless and until the person(s) committing the crime is (are) convicted, or the covered property is returned.

- d. **Limit** - The most "we" pay in any one occurrence under this Supplemental Coverage is \$1,000.

The amount "we" pay is not increased by the number of persons involved in providing the information.

## 9. Sewer Backup

- a. **Coverage** - "We" cover direct physical loss or damage to covered property caused by or resulting from:

- (1) water or waterborne material that backs up, overflows or is otherwise discharged through a sewer or drain, sump or septic tank; or
- (2) water or waterborne material below the surface of the ground, including but not limited to water or waterborne material that exerts pressure on or flows, seeps, or leaks through or into a covered "building or structure", sidewalk, driveway, foundation, swimming pool, or other structure.



**b. Coverage Limitations** - "We" do not cover loss or damage resulting from:

- (1) escape of water or waterborne material from a sump pit not equipped with a sump pump;
- (2) failure to perform routine maintenance and repair of all sump pumps and related equipment; and
- (3) failure to perform routine maintenance of sewers and drains including keeping sewers and drains free from obstructions. This limitation does not apply if "you" are not responsible for the maintenance of sewers or drains that results in loss or damage.

**c. Limit** - The most "we" pay in any one occurrence under this Supplemental Coverage is \$10,000.

**10. Temporary Storage Locations**

**a. Coverage** - "We" cover direct physical loss or damage caused by a covered peril to:

- (1) materials and supplies that will become a permanent part of a covered "building or structure";
- (2) business personal property as described under Supplemental Coverages - Personal Property; and
- (3) trees, shrubs, plants, and lawns as described under Supplemental Coverages - Trees, Shrubs, And Plants (only for the perils described under Trees, Shrubs, And Plants)

while temporarily in storage at a location that is not described on the "schedule of coverages".

**b. We Do Not Cover** - "We" do not cover property in storage if the property has not been specifically allocated to or otherwise identified with a covered "building or structure".

**c. Limit** - The most "we" pay in any one occurrence for loss to property at a storage location is \$10,000.

**11. Transit**

**a. Coverage** - "We" cover direct physical loss or damage caused by a covered peril to:

- (1) materials and supplies that will become a permanent part of a covered "building or structure";

(2) business personal property as described under Supplemental Coverages - Personal Property; and

(3) trees, shrubs, plants, and lawns as described under Supplemental Coverages - Trees, Shrubs, And Plants and only for the perils described under Trees, Shrubs, And Plants

while in transit.

**b. Limit** - The most "we" pay in any one occurrence for loss to property in transit is \$10,000.

**12. Trees, Shrubs, And Plants**

**a. Coverage** - "We" cover direct physical loss or damage including debris removal expenses, to outdoor trees, shrubs, plants, and lawns.

**b. Coverage Limitation** - "We" only cover trees, shrubs, plants, and lawns that are:

- (1) at a covered "jobsite"; and
- (2) being planted or installed as part of "your" construction project.

**c. Covered Perils** - "We" only cover loss to trees, shrubs, plants, and lawns caused by the following perils:

- (1) fire;
- (2) lightning;
- (3) explosion;
- (4) riot or civil commotion;
- (5) falling objects; or
- (6) vandalism.

**d. Limit** - The most "we" pay in any one occurrence for loss to trees, shrubs, and plants is \$10,000.

**PERILS COVERED**

"We" cover risks of direct physical loss or damage unless the loss is limited or caused by a peril that is excluded.

**PERILS EXCLUDED**

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

- a. **Civil Authority** - Order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

- b. **Earth Movement** - Any "earth movement".

However, if eruption, explosion, or effusion of a volcano results in "volcanic action", "we" will pay for the loss or damage caused by that "volcanic action".

If "earth movement" results in fire, "we" will pay for the loss or damage caused by that fire. If "earth movement" (other than eruption, explosion, or effusion of a volcano) results in explosion, "we" will pay for the loss or damage caused by that explosion.

This exclusion does not apply to covered property while in transit.

- c. **Flood** - "Flood".

"We" also do not cover waterborne material carried or otherwise moved by "flood", whether or not driven by wind, including storm surge, or material carried or otherwise moved by mudslide or mudflow.

However, if "flood" results in fire, explosion, or sprinkler leakage, "we" will pay for the loss or damage caused by that fire, explosion, or sprinkler leakage.

This exclusion does not apply to covered property while in transit.

- d. **Fungus** - Except as provided under Coverage Extensions - Limited Fungus Coverage, the existence of or any activity of "fungus".

But if "fungus" results in a "specified peril", "we" cover loss or damage caused by that "specified peril".

This exclusion does not apply to:

- (1) loss that results from fire or lightning; or
- (2) collapse caused by hidden decay.

- e. **Nuclear Hazard** - Nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

- f. **Ordinance Or Law** - Except as provided under Supplemental Coverages - Ordinance Or Law, enforcement of any code, ordinance, or law regulating the use, construction, or repair of any "building or structure"; or requiring the demolition of any "building or structure" including the cost of removing its debris.

"We" do not pay for loss or increased cost regardless if the loss or increased cost is caused by or results from the:

(1) enforcement of any code, ordinance, or law even if a "building or structure" has not been damaged; or

- (2) increased costs that "you" incur because of "your" compliance with a code, ordinance, or law during the construction, repair, rehabilitation, remodeling, or razing of a "building or structure", including the removal of debris, following direct physical loss or damage to the property.

- g. **Sewer, Septic Tank, Sump, Or Drain Backup And Water Below The Surface** - Except as provided under Supplemental Coverages - Sewer Backup:

- (1) water or waterborne material that backs up, overflows or is otherwise discharged through a sewer or drain, sump or septic tank, eaves trough or downspout; or
- (2) water or waterborne material below the surface of the ground, whether naturally or artificially occurring, including but not limited to water or waterborne material that exerts pressure on or flows, seeps, or leaks through or into a covered "building or structure", sidewalk, driveway, foundation, swimming pool, or other structure.

But if sewer, drain, sump, septic tank, eaves trough, or downspout backup and water or waterborne material below the surface results in fire, explosion, or sprinkler leakage, "we" cover the loss or damage caused by that fire, explosion, or sprinkler leakage.

This exclusion does not apply to covered property while in transit.

- h. **War And Military Action**

- (1) War, including undeclared war or civil war; or
- (2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or

- (3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War And Military Action exclusion will apply in place of the Nuclear Hazard exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

- a. **Contamination Or Deterioration** - "We" do not pay for loss or damage caused by or resulting from contamination or deterioration including corrosion, decay, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.

But if contamination or deterioration results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- b. **Criminal, Fraudulent, Dishonest, Or Illegal Acts** - "We" do not pay for loss or damage caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

- (1) "you";
- (2) others who have an interest in the property;
- (3) others to whom "you" entrust the property;
- (4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
- (5) the employees or agents of (1), (2), (3), or (4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- c. **Defects, Errors, And Omissions** - "We" do not pay for loss or damage caused by or resulting from an act, defect, error, or omission (negligent or not) relating to:

- (1) design, specifications, construction, materials, or workmanship;

- (2) planning, zoning, development, siting, surveying, grading, or compaction; or

- (3) maintenance, installation, renovation, remodeling, or repair.

But if an act, error, or omission as described above results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

**d. Delay In Completion And Increased Construction Costs**

- (1) "We" do not pay for loss or damage caused directly or indirectly by a:

- (a) delay in the completion of construction, erection, or fabrication of a "building or structure" or any portion of a "building or structure"; or

- (b) a change in the sequence of construction, erection, or fabrication of a "building or structure" or any portion of a "building or structure"

regardless of the cause of the delay in completion or change in sequence.

- (2) "We" also do not pay for increased construction costs caused by or resulting from a delay in completion or change in sequence as described above under items d.(1), (a) and (b). Increased construction costs include, but are not limited to:

- (a) general conditions;

- (b) increased construction costs and additional construction expenses;

- (c) increased overhead, increased material costs, and increased labor costs;

- (d) soft costs; and

- (e) loss of earnings and loss of rental income.

- (3) General conditions means general conditions and extended general conditions including, but not limited to, costs of additional:

- (a) utility charges;

- (b) maintenance;

- (c) facilities;

- (d) communications; and

- (e) administrative personnel.

- e. **Electrical Currents** - "We" do not pay for loss or damage caused by or resulting from arcing or by electrical currents other than lightning.

But if arcing or electrical currents other than lightning result in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

- f. **Loss Of Use And Consequential Loss** - "We" do not pay for loss or damage caused by or resulting from loss of use, delay, or loss of market. "We" also do not pay for any consequential loss or damage of any nature.

- g. **Mechanical Breakdown** - "We" do not pay for loss or damage caused by or resulting from:

- (1) mechanical breakdown; or
- (2) rupturing or bursting of moving parts of machinery caused by centrifugal force.

But if a mechanical breakdown or rupturing or bursting of moving parts of machinery caused by centrifugal force results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

- h. **Missing Property** - "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- i. **Pollutants** - "We" do not pay for loss or damage caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":

- (1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
- (2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup And Removal.

"We" do cover any resulting loss caused by a "specified peril".

- j. **Steam Boiler Explosion** - "We" do not pay for loss or damage caused by or resulting from an explosion of steam boilers, steam pipes, steam turbines, or steam engines.

But if an explosion of steam boilers, steam pipes, steam turbines, or steam

engines results in a fire or combustion explosion, "we" cover the loss or damage caused by that fire or combustion explosion. "We" also cover loss or damage caused by or resulting from the explosion of gas or fuel in a firebox, combustion chamber, or flue.

- k. **Temperature/Humidity** - "We" do not pay for loss or damage caused by or resulting from dryness, dampness, humidity, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- l. **Voluntary Parting** - Except as provided under Coverage Extensions - Fraud And Deceit, "we" do not pay for loss or damage caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

- m. **Wear And Tear** - "We" do not pay for loss or damage caused by or resulting from wear and tear, marring, or scratching.

But if wear and tear, marring, or scratching results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

#### WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** - In case of a loss, "you" must:

- a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
- b. give notice to the police when the act that causes the loss is a crime.

2. **You Must Protect Property** - "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.

- a. **Payment Of Reasonable Costs** - "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".

- b. **We Do Not Pay** - "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.

3. **Proof Of Loss** - "You" must send "us" within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:

- a. the time, place, and circumstances of the loss;
- b. other policies of insurance that may cover the loss;
- c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
- d. changes in title of the covered property during the policy period; and
- e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.

4. **Examination** - "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.

5. **Records** - "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.

6. **Damaged Property** - "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.

7. **Volunteer Payments** - "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.

8. **Abandonment** - "You" may not abandon the property to "us" without "our" written consent.

9. **Cooperation** - "You" must cooperate with "us" in performing all acts required by this policy.

#### VALUATION

1. **Replacement Cost** - The value of covered property will be based on replacement cost as described below.

a. **Replacement Cost Means** - Replacement cost means:

- (1) the necessary and reasonable costs of materials and labor incurred to repair or replace, without deduction for depreciation, the part of the cov-

ered property that sustains direct physical loss or damage;

(2) the reasonable overhead and profit related to the covered property that sustains direct physical loss or damage but not to exceed the overhead and profit being charged for the construction, erection, or fabrication of a covered "building or structure" in accordance with the construction contracts; and

(3) other related construction costs and expenses that are re-incurred to repair or replace the part of the covered property that sustains direct physical loss or damage but only if such costs have been included as part of the "limit" for a covered "building or structure".

b. **Replacement Cost Limitations** - Replacement cost is limited to the cost of repair or replacement with similar materials on the same site and used for the same purpose.

c. **Payment Limitation** - If the part of the covered property that sustains direct physical loss or damage is repaired or replaced, the payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.

2. **Pair Or Set** - The value of a lost or damaged article that is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

3. **Loss To Parts** - The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

#### HOW MUCH WE PAY

1. **Insurable Interest** - "We" do not cover more than "your" insurable interest in any property.

2. **Deductible** - "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.

3. **Loss Settlement Terms** - Subject to paragraphs 1., 2., 4., 5., 6., and 7., under How Much We Pay, "we" pay the lesser of:

- a. the amount determined under Valuation;
- b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
- c. the "limit" that applies to the covered property.



4. **Catastrophe Limit** - The most "we" pay in any one occurrence is the Catastrophe Limit indicated on the "schedule of coverages" regardless if an occurrence or loss involves:

- a. one or more "buildings or structures";
- b. one or more described "jobsites"; or
- c. any combination of "buildings or structures", described "jobsites", or coverages described under Coverage Extensions or Supplemental Coverages.

#### 5. **Coinurance**

a. **When Coinsurance Applies** - "We" only pay a part of the loss if the "limit" is less than 100% of the estimated completed value of the covered "building or structure".

Coinurance does not apply when Coinsurance Provisions Are Waived has been checked on the "schedule of coverages".

b. **How We Determine Our Part Of The Loss** - "Our" part of the loss is determined using the following steps:

- (1) determine the 100% expected completed value of the "building or structure"; this figure is based on the estimated value of the property at completion of construction had no loss occurred;
- (2) divide the "limit" for covered property by the result determined in b.(1) above; and
- (3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.(2) above.

The most "we" pay is the amount determined in b.(3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.

c. **If There Is More Than One Limit** - If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".

d. **If There Is Only One Limit** - If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.

6. **Insurance Under More Than One Coverage** - If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.

#### 7. **Insurance Under More Than One Policy**

a. **Proportional Share** - "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.

b. **Excess Amount** - If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

#### LOSS PAYMENT

##### 1. **Loss Payment Options**

a. **Our Options** - In the event of loss covered by this coverage form, "we" have the following options:

- (1) pay the value of the lost or damaged property;
- (2) pay the cost of repairing or replacing the lost or damaged property;
- (3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
- (4) take all or any part of the property at the agreed or appraised value.

b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** - "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

##### 2. **Your Losses**

a. **Adjustment And Payment Of Loss** - "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.

b. **Conditions For Payment Of Loss** - An insured loss will be payable 30 days after:

- (1) a satisfactory proof of loss is received; and
- (2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

##### 3. **Property Of Others**

a. **Adjustment And Payment Of Loss To Property Of Others** - Losses to property of others may be adjusted with and paid to:

- (1) "you" on behalf of the owner; or
- (2) the owner.

b. **We Do Not Have To Pay You If We Pay The Owner** - If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

#### OTHER CONDITIONS

1. **Appraisal** - If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

- 2. **Benefit To Others** - Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.
- 3. **Conformity With Statute** - When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.
- 4. **Estates** - This provision applies only if the insured is an individual.
  - a. **Your Death** - On "your" death, "we" cover the following as an insured:
    - (1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
    - (2) "your" legal representative.

This person or organization is an insured only with respect to property covered by this coverage.

b. **Policy Period Is Not Extended** - This coverage does not extend past the policy period indicated on the declarations.

5. **Misrepresentation, Concealment, Or Fraud** - This coverage is void as to "you" and any other insured if, before or after a loss:

- a. "You" or any other insured have willfully concealed or misrepresented:
  - (1) a material fact or circumstance that relates to this insurance or the subject thereof; or
  - (2) "your" interest herein.
- b. There has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.

6. **Policy Period** - "We" pay for a covered loss that occurs during the policy period.

7. **Recoveries** - If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:

- a. "you" must notify "us" promptly if "you" recover property or receive payment;
- b. "we" must notify "you" promptly if "we" recover property or receive payment;
- c. any recovery expenses incurred by either are reimbursed first;
- d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and
- e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be prorated between "you" and "us" based on "our" respective interest in the loss.

8. **Restoration Of Limits** - Except as indicated under Limited Fungus Coverage, a loss "we" pay under this coverage does not reduce the applicable "limits".

9. **Subrogation** - If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair your right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.

**10. Suit Against Us** - No one may bring a legal action against "us" under this coverage unless:

- a. all of the "terms" of this coverage have been complied with; and
- b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

**11. Territorial Limits** - "We" cover property while in the United States of America, its territories and possessions, Canada, and Puerto Rico.

**12. Carriers For Hire** - "You" may accept bills of lading or shipping receipts issued by carriers for hire that limit their liability to less than the replacement cost or actual cash value of the covered property.

#### ADDITIONAL COVERAGE LIMITATIONS

**1. Occupancy And Use** - "We" do not provide coverage under this policy if, without "our" prior written consent, a covered "building or structure" as described under Property Covered is:

- a. occupied in whole or in part; or
- b. put to its intended use.

However, this provision does not apply if Permission To Occupy is indicated on the "schedule of coverages".

**2. When Coverage Ceases** - Coverage will end when one of the following first occurs:

- a. this policy expires or is canceled;
- b. a covered "building or structure" is accepted by the purchaser;
- c. "your" insurable interest in the covered property ceases;
- d. "you" abandon construction with no intent to complete it; or
- e. a covered "building or structure" has been completed for more than 90 days.

#### DEFINITIONS

**1. "Buildings or structures"** means:

- a. buildings;
- b. structures;
- c. materials and supplies that will become a permanent part of the buildings or the structures; and
- d. foundations, excavations, grading, filling, attachments, permanent fencing, and other permanent fixtures.

**2. "Earth movement"** means:

- a. earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. landslide, mudslide, or mudflow;
- c. mine subsidence whether or not the non-natural mine is currently in use;
- d. any other movement of earth, including sinking (other than "sinkhole collapse"), shifting, or rising of earth including, but not limited to, erosion, expansion, shrinking, freezing, thawing, improper soil compaction, and movement of water under the surface of the ground that cause cracking, settling, or shifting of foundations, buildings, or structures; or
- e. eruption, explosion, or effusion of a volcano.

**3. "Flood"** means an overflowing or inundation by water of an area that was previously and normally dry or not covered by water, whether caused artificially or naturally, by human or animal forces or by an act of nature. "Flood" includes, but is not limited to:

- a. overflow of inland or tidal waters, waves, tidal waves, or tsunamis, or spray that results from any of these, all whether driven by wind or not, including but not limited to storm surge;
- b. unusual and rapid accumulation or runoff of surface waters from any source; or
- c. mudslides or mudflows if caused by:
  - (1) unusual and rapid accumulation or runoff of surface waters or waves; or
  - (2) currents of water exceeding anticipated cyclical levels.

**4. "Fungus"** means:

- a. a fungus, including but not limited to mildew and mold;
- b. a protist, including but not limited to algae and slime mold;
- c. wet rot and dry rot;
- d. a bacterium; or
- e. a chemical, matter, or compound produced or released by a fungus, a protist, wet rot, dry rot, or a bacterium including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

**5. "Jobsite"** means any location, project, or work site where "you" are in the process of constructing, erecting, or fabricating a "building or structure".



6. "Limit" means the amount of coverage that applies.
7. "Pollutant" means:
  - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
  - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
8. "Schedule of coverages" means:
  - a. all pages labeled "schedule of coverages" or schedules that pertain to this coverage; and
  - b. declarations or supplemental declarations that pertain to this coverage.
9. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.
10. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire;

hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.

Falling objects does not include loss to:

- a. personal property in the open; or
- b. the interior of "buildings or structures" or to personal property inside "buildings or structures" unless the exterior of the roofs or walls are first damaged by a falling object.

Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.

11. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.
12. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.

"Volcanic action" does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss or damage to the covered property.



This endorsement changes the Builders' Risk Coverage  
- PLEASE READ THIS CAREFULLY -

## EARTHQUAKE AND FLOOD COVERAGE ENDORSEMENT

### ADDITIONAL COVERAGES

#### 1. Earthquake Coverage

- a. **Coverage** - "We" cover direct physical loss or damage to covered property caused by or resulting from earthquake and volcanic eruption.
- b. **Coverage Limitations** - "We" only cover loss caused by earthquake and volcanic eruption when Earthquake "limits" are indicated on the Earthquake And Flood Schedule.
- c. **Rehabilitation And Renovation Form** - If this endorsement is attached to the Rehabilitation And Renovation Form, the references to "building or structure" are replaced with "rehabilitation or renovation project".
- d. **Earthquake Limits** - The Earthquake Building Limit, Earthquake Occurrence Limit, and Earthquake Catastrophe Limit as described below apply to loss or damage caused by or resulting from earthquake and volcanic eruption. The Earthquake "limits" indicated on the Earthquake And Flood Schedule are the only "limits" available for loss or damage caused by or resulting from earthquake and volcanic eruption. The Earthquake "limits" cannot be combined or added to the "limit" for any Coverage Extension or Supplemental Coverage.
  - (1) **Earthquake Building Limit** - The most "we" pay in any one occurrence for loss to any one "building or structure" is the Earthquake Building Limit indicated on the Earthquake And Flood Schedule.
  - (2) **Earthquake Occurrence Limit** - The most "we" pay in any one occurrence for loss to all "buildings or structures" at all "jobsites" is the Earthquake Occurrence Limit indicated on the Earthquake And Flood Schedule.
  - (3) **Earthquake Catastrophe Limit** - The most "we" pay for all losses to all "buildings or structures" at all "jobsites" during each separate 12-month period of this policy is the Earthquake Catastrophe Limit indicated on the Earthquake And Flood Schedule. The 12-month time period

is limited to the expiration or anniversary date.

- e. **Delay In Completion** - If the Delay In Completion Coverage Part is attached to the Builders' Risk Coverage and Delay In Completion Coverage is indicated on the Earthquake And Flood Schedule, coverage under this endorsement is extended to the Delay In Completion Coverage Part, subject to the "limits" as described below:

- (1) If Delay In Completion Limits are indicated on the Earthquake And Flood Schedule, the Delay In Completion Limits on the schedule are the only "limits" that apply to a "delay" resulting from direct physical loss or damage to covered property caused by earthquake and volcanic eruption. "Limits" under Delay In Completion Limits are separate from, and not part of, the Earthquake Limits described in item 1.d.
- (2) If Included In Earthquake Limits is indicated on the Earthquake And Flood Schedule, the Earthquake Limits described in item 1.d. are the only "limits" that apply to loss or damage caused by or resulting from earthquake and volcanic eruption including "delay" resulting from loss or damage to covered property caused by earthquake and volcanic eruption.
- (3) Refer to the Delay In Completion Coverage Part for a definition of "delay".

#### 2. Flood Coverage

- a. **Coverage** - "We" cover direct physical loss or damage to covered property caused by or resulting from "flood".
- b. **Coverage Limitations** - "We" only cover loss caused by "flood" when Flood "limits" are indicated on the Earthquake And Flood Schedule.
- c. **Rehabilitation And Renovation Form** - If this endorsement is attached to the Rehabilitation And Renovation Form, the references to "building or structure" are replaced with "rehabilitation or renovation project".

d. **Flood** - The Flood Building Limit, Flood Occurrence Limit, and Flood Catastrophe Limit as described below apply to loss or damage caused by or resulting from "flood". The Flood "limits" indicated on the Earthquake And Flood Schedule are the only "limits" available for loss or damage caused by or resulting from "flood". The Flood "limits" cannot be combined or added to the "limit" for any Coverage Extension or Supplemental Coverage.

(1) **Flood Building Limit** - The most "we" pay in any one occurrence for loss to any one "building or structure" is the Flood Building Limit indicated on the Earthquake And Flood Schedule.

(2) **Flood Occurrence Limit** - The most "we" pay in any one occurrence for loss to all "buildings or structures" at all "jobsites" is the Flood Occurrence Limit indicated on the Earthquake And Flood Schedule.

(3) **Flood Catastrophe Limit** - The most "we" pay for all losses to all "buildings or structures" at all "jobsites" during each separate 12-month period of this policy is the Flood Catastrophe Limit indicated on the Earthquake And Flood Schedule. The 12-month time period is limited to the expiration or anniversary date.

e. **Delay In Completion** - If the Delay In Completion Coverage Part is attached to the Builders' Risk Coverage and Delay In Completion Coverage is indicated on the Earthquake And Flood Schedule, coverage under this endorsement is extended to the Delay In Completion Coverage Part, subject to the "limits" as described below:

(1) If Delay In Completion Limits are indicated on the Earthquake And Flood Schedule, the Delay In Completion Limits on the schedule are the only

"limits" that apply to a "delay" resulting from direct physical loss or damage to covered property caused by "flood". "Limits" under Delay In Completion Limits are separate from, and not part of, the Flood Limits described in item 2.d.

(2) If Included In Flood Limits is indicated on the Earthquake And Flood Schedule, the Flood Limits described in item 2.d. are the only "limits" that apply to loss or damage caused by or resulting from "flood" including "delay" resulting from loss or damage to covered property caused by "flood".

(3) Refer to the Delay In Completion Coverage Part for a definition of "delay".

#### PERILS EXCLUDED

The exclusions for Earth Movement and Flood still apply except to the extent that coverage is provided under this endorsement.

#### HOW MUCH WE PAY

The following are added to How Much We Pay:

1. **Deductible** - "We" pay only that part of "your" loss over the deductible amount indicated on the Earthquake And Flood Schedule in any one occurrence.
2. **Earthquake Period** - All earthquakes or volcanic eruptions that occur within a 168-hour period will be considered a single loss. This 168-hour period is not limited by the policy expiration.
3. **Excess Insurance** - "You" may purchase insurance in excess of the applicable "limit". Such excess insurance will not be considered in applying insurance Under More Than One Policy nor will it be considered in the application of any pro rata or apportionment provision.


**WESTFIELD**  
**INSURANCE**

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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy**      **From**      01/01/12  
**Period**      **To**      01/01/13

at 12:01 A.M. Standard Time at your  
 mailing address shown above.

XX Effective 03/19/12 this Common Policy declarations amends all prior  
 XX Common Policy declarations and endorses this policy as shown below.

XX  
 XX

**Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation

In return for the payment of the premium, and subject to all terms of this  
 policy, we agree with you to provide the insurance as stated in this policy.

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT      Additional      Included

Net Additional Premium      \$      0.00

**INLAND MARINE CONTRACTORS' LEASE/RENT FROM OTHERS**

1. CHANGED CONTRACTORS' LEASED/RENTED FROM OTHERS
2. ADDED CONTRACTORS' LEASED/RENTED FROM OTHERS

**INLAND MARINE COVERAGE PART ENDORSEMENT**

1. CHANGED COVERAGE AT LOC 001 BLDG 001  
 - ADDED LOSS PAYEE  
 WESTERN OILFIELDS SUPPLY CO  
 DBA RAIN FOR RENT  
 3404 STATE ROAD  
 BAKERSFIELD CA 93308

**FORMS CHANGES**

1. CHANGED FORM IM7902A 04/04

\*\* This endorsement changes your policy. Please  
 attach it to your original policy. \*\*




**WESTFIELD**  
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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**  
 (Continued)
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy**  
**Period**
**From**  
**To**

 01/01/12  
 01/01/13

 at 12:01 A.M. Standard Time at your  
 mailing address shown above.

 XX Effective 03/19/12 this Common Policy declarations amends all prior  
 XX Common Policy declarations and endorses this policy as shown below.

 XX  
 XX
**Forms and Endorsements applicable to all coverage parts:**
 IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
 IL0147 0911 , IL0283 0907 , IL7035 0608 .

COUNTERSIGNED: \_\_\_\_\_

Date

BY \_\_\_\_\_

Authorized Representative





## LOSS PAYABLE SCHEDULE

(The entires required to complete this schedule  
will be shown below or on the "schedule of coverages".)

Indicate applicable provision:

- ☒ Loss Payable  
☐ Lender's Loss Payable  
☐ Contract of Sale
- 

### SCHEDULE

---

Location  
Number  
001

Address  
ALL COVERED LOCATIONS

Covered Property  
LEASED/RENTED  
EQUIPMENT

Name and Address of Loss Payee  
WESTERN OILFIELDS SUPPLY CO  
DBA RAIN FOR RENT  
3404 STATE ROAD  
BAKERSFIELD, CA 93308



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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**

41

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13at 12:01 A.M. Standard Time at your  
mailing address shown above.**Effective 03/05/12 this Common Policy declarations amends all prior  
Common Policy declarations and endorses this policy as shown below.****MM  
MM****Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation**In return for the payment of the premium, and subject to all terms of this  
policy, we agree with you to provide the insurance as stated in this policy.****THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT Additional Included

Net Additional Premium

\$

0.00

**FORMS CHANGES**

1. ADDED FORM CM7159 06/06

**\*\* This endorsement changes your policy. Please  
attach it to your original policy. \*\*****Forms and Endorsements applicable to all coverage parts:**IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
IL0147 0911 , IL0283 0907 , IL7035 0608 .**COUNTERSIGNED:** \_\_\_\_\_

Date

**BY** \_\_\_\_\_

Authorized Representative



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL INLAND MARINE ADDITIONAL INSURED**

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART -**

It is hereby understood and agreed that

LAKE BARRINGTON COMMUNITY HOMEOWNERS ASSOCIATION, LAKE BARRINGTON SHORES  
CONDOMINIUM ASSOCIATIONS 1-13, WENTWORTH PROPERTY MANAGEMENT CORP AND  
STRAND ASSOCIATES INC., 910 W. WINGRA DR., MADISON, WI. 53715

is named as an **Additional Insured** under this policy, but only with respect as their interest may appear regarding:




**WESTFIELD**  
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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**

41

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From** 01/01/12  
**To** 01/01/13**at 12:01 A.M. Standard Time at your  
mailing address shown above.**
 \*\* Effective 01/01/12 this Common Policy declarations amends all prior  
 \*\* Common Policy declarations and endorses this policy as shown below.

 \*\*  
 \*\*
**Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation
 In return for the payment of the premium, and subject to all terms of this  
 policy, we agree with you to provide the insurance as stated in this policy.
**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL UMBRELLA COVERAGE PART ENDORSEMENT Additional \$ 0.00

Net Additional Premium \$ 0.00

**UMBRELLA COVERAGE PART ENDORSEMENT****1. CHANGED COMMERCIAL UMBRELLA SCHEDULE OF UNDERLYING****INSURANCE**

- CHANGED ACUITY INSURANCE COMPANY

X00562

FROM: 01/01/12 TO 01/01/13

\$500,000 EACH ACCIDENT

\$500,000 DISEASE POLICY LIMIT

\$500,000 DISEASE EACH EMPLOYEE

 \*\* This endorsement changes your policy. Please  
 attach it to your original policy. \*\*
**Forms and Endorsements applicable to all coverage parts:**
 IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
 IL0147 0911 , IL0283 0907 , IL7035 0608 :
**COUNTERSIGNED:** \_\_\_\_\_

Date

**BY** \_\_\_\_\_

Authorized Representative






**WESTFIELD**  
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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**

41

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

**MAXIM CONSTRUCTION CORP**  
**31632 N ELLIS DR UNIT 111**  
**VOLO IL 60073**
**MARKET FINANCIAL GROUP**  
**240 COMMENCE DRIVE**  
**CRYSTAL LAKE IL 60014-3549**  
**TELEPHONE 815-459-3300**
**Policy Number: TRA 5 284 060**

| 11 |

**WIC Account Number: 1200801619**

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13
**at 12:01 A.M. Standard Time at your**  
**mailing address shown above.**
**XX Effective 04/01/12 this Common Policy declarations amends all prior**  
**XX Common Policy declarations and endorses this policy as shown below.**
**XX**  
**XX**
**Business: GENERAL CONTRACTOR****Named Insured is: Corporation**
**In return for the payment of the premium, and subject to all terms of this**  
**policy, we agree with you to provide the insurance as stated in this policy.**
**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**
**COMMERCIAL GENERAL LIAB. COVERAGE PART ENDORSEMENT Additional \$ 0.00**

Net Additional Premium

\$

0.00

**FORMS CHANGES**

1. CHANGED FORM CG2037 10/01

**\*\* This endorsement changes your policy. Please**  
**attach it to your original policy. \*\***
**Forms and Endorsements applicable to all coverage parts:**
**IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,**  
**IL0147 0911 , IL0283 0907 , IL7035 0608 .**
**COUNTERSIGNED:**

Date

BY

Authorized Representative



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<b>Name of Person or Organization:</b>
<b>Location And Description of Completed Operations:</b> ANY PERSONS OR ORGANIZATIONS WHOM YOU HAVE AGREED IN WRITING IN A CONTRACT OR AGREEMENT THAT SUCH PERSONS OR ORGANIZATIONS BE ADDED AS AN ADDITIONAL INSURED.
<b>Additional Premium:</b>

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**Section II - Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" at the location designated and described in the schedule of this endorsement performed for that insured and included in the "products-completed operations hazard".




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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS**

<b>COMPANY PROVIDING COVERAGE</b>		<b>WESTFIELD INSURANCE COMPANY</b>		
<b>NAMED INSURED AND MAILING ADDRESS</b>		<b>AGENCY</b>	12-01151	<b>PROD.</b>
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073		MARKET FINANCIAL GROUP 240 CYMMER DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300		
Policy Number: TRA 5 284 060		11	WIC Account Number: 1200801619 M	
<b>Policy Period</b>	<b>From To</b>	<b>at 12:01 A.M. Standard Time at your mailing address shown above.</b>		
	01/01/12 01/01/13			
<b>Effective 01/01/12 this Common Policy declarations amends all prior</b> <b>Common Policy declarations and endorses this policy as shown below.</b>				
<b>Business: GENERAL CONTRACTOR</b>		<b>Named Insured is: Corporation</b>		
In return for the payment of the premium, and subject to all terms of this policy, we agree with you to provide the insurance as stated in this policy.				

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT Additional Included

Net Additional Premium \$ 0.00

**FORMS CHANGES**

1. ADDED FORM AC132 01/90

\*\* This endorsement changes your policy. Please  
attach it to your original policy. \*\*

**Forms and Endorsements applicable to all coverage parts:**

IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
IL0147 0911 , IL0283 0907 , IL7035 0608 .

COUNTERSIGNED: \_\_\_\_\_ BY \_\_\_\_\_  
Date Authorized Representative



---

POLICY NUMBER: TRA 5284060**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EARTHQUAKE AND FLOOD SCHEDULE**

This endorsement modifies insurance provided under the following:

**EARTHQUAKE AND FLOOD SCHEDULE - IM7086****FLOOD COVERAGE**

THE LIMITS OF INSURANCE SHOWN IN THE DECLARATIONS ARE REPLACED BY THE LIMITS DESIGNATED BELOW FOR THE SPECIFIC PROJECT SHOWN BELOW.

( ) COVERAGE NOT PROVIDED

(X) COVERAGE PROVIDED, FOR THE SPECIFIC PROJECT LISTED BELOW, SUBJECT TO THE FOLLOWING "LIMITS".

64 OLD BARN ROAD

LAKE BARRINGTON, IL 60010

FLOOD BUILDING LIMIT \$1,027,700

FLOOD OCCURANCE LIMIT \$1,027,700

FLOOD CATASTROPHE LIMIT (12-MONTH PERIOD) \$1,027,700

DEDUCTIBLE AMOUNT \$50,000

THIS ENDORSEMENT IS OTHERWISE SUBJECT TO ALL TERMS, CONDITIONS, PROVISIONS AND STIPULATIONS OF THE POLICY TO WHICH IT IS ATTACHED.






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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13
 at 12:01 A.M. Standard Time at your  
 mailing address shown above.

 \*\* Effective 07/02/12 this Common Policy declarations amends all prior  
 \*\* Common Policy declarations and endorses this policy as shown below.

 \*\*  
 \*\*
**Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation
 In return for the payment of the premium, and subject to all terms of this  
 policy, we agree with you to provide the insurance as stated in this policy.
**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT	Additional \$	544.00
CRIME AND FIDELITY COVERAGE PART ENDORSEMENT	Additional	Included

Net Additional Premium	\$	544.00
------------------------	----	--------

**INLAND MARINE COVERAGE PART ENDORSEMENT**

1. ADDED COVERAGE AT LOC 010 BLDG 001
  - OCCUPANCY IS BUILDERS RISK
  - ADDRESS IS  
201 S ROUTE 83  
VILLA PARK IL 60181
  - STATE IS ILLINOIS
  - TERRITORY IS 115
  - CONSTRUCTION IS FRAME
  - PROTECTION CLASS IS 3
  - BUILDING CLASS IS 0567
  - TAX LOCATION IS 2719

**INLAND MARINE BUILDERS' RISK SCHEDULE LOCATION**

1. ADDED LOC 010 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$3,749,000

 \*\* This endorsement changes your policy. Please  
 attach it to your original policy. \*\*




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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**  
**(Continued)**

41

COMPANY PROVIDING COVERAGE		WESTFIELD INSURANCE COMPANY			
NAMED INSURED AND MAILING ADDRESS	AGENCY	12-01151	PROD.	000	
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073	MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300				
Policy Number: TRA 5 284 060		11	WIC Account Number: 1200801619		M
Policy Period	From To	01/01/12 01/01/13	at 12:01 A.M. Standard Time at your mailing address shown above.		
<b>Effective 07/02/12 this Common Policy declarations amends all prior</b> <b>Common Policy declarations and endorses this policy as shown below.</b>					<b>MM</b> <b>MM</b>
<b>Forms and Endorsements applicable to all coverage parts:</b> IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 , IL0147 0911 , IL0283 0907 , IL7035 0608 .					
COUNTERSIGNED: _____ BY _____ <div style="display: flex; justify-content: space-between;"> <span>Date</span> <span>Authorized Representative</span> </div>					



**WESTFIELD****INSURANCE**

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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13at 12:01 A.M. Standard Time at your  
mailing address shown above.

XX Effective 07/30/12 this Common Policy declarations amends all prior  
XX Common Policy declarations and endorses this policy as shown below.

XX  
XX

**Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation

In return for the payment of the premium, and subject to all terms of this  
policy, we agree with you to provide the insurance as stated in this policy.

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL GENERAL LIAB. COVERAGE PART ENDORSEMENT	Additional \$	350.00
COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT	Additional \$	89.00
CRIME AND FIDELITY COVERAGE PART ENDORSEMENT	Additional	Included
TERRORISM INSURANCE COVERAGE PART ENDORSEMENT	Additional \$	1.00

Net Additional Premium \$ 440.00

**GENERAL LIABILITY COVERAGE PART ENDORSEMENT**

1. ADDED CLASSIFICATION 44444-IL
  - DESCRIPTION: FELLOW EMPLOYEES  
CG 7103
  - PREMIUM BASIS: FLAT CHARGE
  - PREMISES/OPERATIONS COVERAGE APPLIES
  - ADDED \$1,000 P.D. DEDUCTIBLE TO  
PREMISES/OPERATIONS
2. ADDED CLASSIFICATION 44444-IL
  - DESCRIPTION: HR GREEN INC  
IL 7035
  - PREMIUM BASIS: FLAT CHARGE
  - PREMISES/OPERATIONS COVERAGE APPLIES
  - ADDED \$1,000 P.D. DEDUCTIBLE TO  
PREMISES/OPERATIONS
3. ADDED ADDITIONAL INSURED
  - OWNER, LESSEE OR CONTRACTOR (FORM CG2010)  
HR GREEN INC  
420 N. FRONT ST STE 100  
MCHENRY IL 60050
4. ADDED ADDITIONAL INSURED
  - OWNER, LESSEE, CONTRACTOR




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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS  
(Continued)**

<b>COMPANY PROVIDING COVERAGE</b>		<b>WESTFIELD INSURANCE COMPANY</b>		
<b>NAMED INSURED AND MAILING ADDRESS</b>	<b>AGENCY</b>	<b>12-01151</b>	<b>PROD.</b>	<b>000</b>
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073	MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300			
<b>Policy Number: TRA 5 284 060</b>	<b>11</b>	<b>WIC Account Number: 1200801619</b>		<b>M</b>
<b>Policy Period</b>	<b>From To</b>	<b>at 12:01 A.M. Standard Time at your mailing address shown above.</b>		
	01/01/12 01/01/13			
<b>Effective 07/30/12 this Common Policy declarations amends all prior Common Policy declarations and endorses this policy as shown below.</b>				<b>XX XX</b>

HR GREEN INC  
420 N. FRONT ST STE 100  
MCHENRY IL 60050

**INLAND MARINE COVERAGE PART ENDORSEMENT**

- ADDED COVERAGE AT LOC 011 BLDG 001
  - OCCUPANCY IS BUILDERS RISK
  - ADDRESS IS  
1033 EAST JACKSON  
MONMOUTH IL 61462
  - STATE IS ILLINOIS
  - TERRITORY IS 475
  - CONSTRUCTION IS FRAME
  - PROTECTION CLASS IS 5
  - BUILDING CLASS IS 0567
  - TAX LOCATION IS 2101

**INLAND MARINE BUILDERS' RISK SCHEDULE LOCATION**

- ADDED LOC 011 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$726,000

**FORMS CHANGES**

- ADDED FORM CG7103 09/06
- CHANGED FORM CG2037 10/01
- CHANGED FORM CM7159 06/06
- CHANGED FORM IL7035 06/08

**\*\* This endorsement changes your policy. Please  
attach it to your original policy. \*\***

**Forms and Endorsements applicable to all coverage parts:**

IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
IL0147 0911 , IL0283 0907 , IL7035 0608\*.

COUNTERSIGNED: \_\_\_\_\_ BY \_\_\_\_\_  
Date Authorized Representative





POLICY NUMBER: TRA 5284060

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EARLIER NOTICE OF CANCELLATION  
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE

**SCHEDULE**Number of Days' Notice 0030

<u>Name Of Additional Insured Person(s) Or Organization(s)</u>	<u>Location(s) Of Covered Operations</u>
HR GRENE INC 420 N. FRONT ST MCHENRY, IL 60050	

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.



COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FELLOW EMPLOYEE INCLUSION FOR DESIGNATED  
EMPLOYEES/POSITIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

**SECTION II - WHO IS AN INSURED**, Item **2.a.(1)** is deleted and replaced by the following:

**(1)** "Bodily injury" or "personal and advertising injury":

- (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment as a consequence of such "bodily injury" or "personal and advertising injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury; unless those persons are employed on a Covered Position as designated below, then only the persons in those positions are "insureds", but only for "bodily injury" to a co-"employee" while in the course of his or her employment.

Covered Position(s):

☒ "Managers"

☒ "Supervisors"

Definitions:

"Managers" and "Supervisors" means personnel authorized by you to oversee and direct activities of your employees.

CG 71 03 09 06



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<b>Name of Person or Organization:</b> HR GREEN INC 420 N. FRONT ST STE 100 MCHENRY, IL 60050
<b>Location And Description of Completed Operations:</b>          
<b>Additional Premium:</b>          

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**Section II - Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" at the location designated and described in the schedule of this endorsement performed for that insured and included in the "products-completed operations hazard".



COMMERCIAL INLAND MARINE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL INLAND MARINE ADDITIONAL INSURED**

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART -**

It is hereby understood and agreed that

HR GREEN INC  
420 N FRONT ST SUITE 100  
MCHENRY, IL 60050

is named as an **Additional Insured** under this policy, but only with respect as their interest may appear regarding:







**WESTFIELD**  
**INSURANCE**

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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**

**COMPANY PROVIDING COVERAGE**

**WESTFIELD INSURANCE COMPANY**

**NAMED INSURED AND MAILING ADDRESS**

**AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

M

**Policy  
Period**

**From  
To**

01/01/12  
01/01/13

**at 12:01 A.M. Standard Time at your  
mailing address shown above.**

**Effective 08/21/12 this Common Policy declarations amends all prior  
Common Policy declarations and endorses this policy as shown below.**

**MM  
MM**

**Business:** GENERAL CONTRACTOR

**Named Insured is:** Corporation

**In return for the payment of the premium, and subject to all terms of this  
policy, we agree with you to provide the insurance as stated in this policy.**

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL GENERAL LIAB. COVERAGE PART ENDORSEMENT	Additional \$	150.00
COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT	Additional \$	432.00
CRIME AND FIDELITY COVERAGE PART ENDORSEMENT	Additional	Included
TERRORISM INSURANCE COVERAGE PART ENDORSEMENT	Additional \$	1.00

Net Additional Premium

\$

583.00

**GENERAL LIABILITY COVERAGE PART ENDORSEMENT**

1. ADDED CLASSIFICATION 44444-IL
  - DESCRIPTION: HR GREEN  
IL7035
  - PREMIUM BASIS: FLAT CHARGE
  - PREMISES/OPERATIONS COVERAGE APPLIES
  - ADDED \$1,000 P.D. DEDUCTIBLE TO  
PREMISES/OPERATIONS

**INLAND MARINE COVERAGE PART ENDORSEMENT**

1. ADDED COVERAGE AT LOC 012 BLDG 001
  - OCCUPANCY IS BUILDERS RISK
  - ADDRESS IS  
SOUTH BEACH ROAD  
MCHENRY IL 60050
  - STATE IS ILLINOIS
  - TERRITORY IS 285
  - CONSTRUCTION IS FRAME
  - PROTECTION CLASS IS 3
  - BUILDING CLASS IS 0567
  - TAX LOCATION IS 5144

**INLAND MARINE BUILDERS' RISK SCHEDULE LOCATION**

1. ADDED LOC 012 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$1,672,700




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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS  
(Continued)**

COMPANY PROVIDING COVERAGE		WESTFIELD INSURANCE COMPANY		
NAMED INSURED AND MAILING ADDRESS	AGENCY	12-01151	PROD.	000
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073	MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300			
Policy Number: TRA 5 284 060		11	WIC Account Number: 1200801619   M	
Policy Period	From 01/01/12 To 01/01/13	at 12:01 A.M. Standard Time at your mailing address shown above.		
<b>Effective 08/21/12 this Common Policy declarations amends all prior Common Policy declarations and endorses this policy as shown below.</b>				<b>MM MM</b>

## FORMS CHANGES

1. CHANGED FORM IL7035 06/08

**\*\* This endorsement changes your policy. Please  
attach it to your original policy. \*\***

**Forms and Endorsements applicable to all coverage parts:**

IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
IL0147 0911 , IL0283 0907 , IL7035 0608\*.

COUNTERSIGNED: \_\_\_\_\_ BY \_\_\_\_\_  
Date Authorized Representative



POLICY NUMBER: TRA 5284060

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EARLIER NOTICE OF CANCELLATION  
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 PROFESSIONAL LIABILITY COVERAGE

**SCHEDULE**Number of Days' Notice 030

<u>Name Of Additional Insured Person(s) Or Organization(s)</u>	<u>Location(s) Of Covered Operations</u>
HR GREEN INC 420 N FRONT ST STE 100 MCHENRY IL 60050	MCHENRY TOWNSHIP WATER TREATMENT PLANT #2 IMPROVEMENTS SOUTH BEACH ROAD, MCHENRY IL

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.




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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS**

<b>COMPANY PROVIDING COVERAGE</b>		<b>WESTFIELD INSURANCE COMPANY</b>	
<b>NAMED INSURED AND MAILING ADDRESS</b>		<b>AGENCY</b>	<b>12-01151</b>
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073		MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300	
<b>Policy Number: TRA 5 284 060</b>		<b>11</b>	<b>WIC Account Number: 1200801619</b>
<b>Policy Period</b>	<b>From To</b>	<b>at 12:01 A.M. Standard Time at your mailing address shown above.</b>	
	01/01/12 01/01/13		
<b>Effective 08/24/12 this Common Policy declarations amends all prior</b> <b>Common Policy declarations and endorses this policy as shown below.</b>		<b>Effective 08/24/12 this Common Policy declarations amends all prior</b> <b>Common Policy declarations and endorses this policy as shown below.</b>	
<b>Business: GENERAL CONTRACTOR</b>		<b>Named Insured is: Corporation</b>	
<b>In return for the payment of the premium, and subject to all terms of this policy, we agree with you to provide the insurance as stated in this policy.</b>			

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**
**COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT Additional Included**
**Net Additional Premium \$ 0.00**
**INLAND MARINE COVERAGE PART ENDORSEMENT**

1. CHANGED COVERAGE AT LOC 001 BLDG 001  
- ADDED LOSS PAYEE  
ALTORFER RENTS  
P O BXO 1347  
CEDAR RAPIDS IA 52406

**FORMS CHANGES**

1. CHANGED FORM IM7902A 04/04

**\*\* This endorsement changes your policy. Please  
attach it to your original policy. \*\***







**WESTFIELD**  
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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**  
(Continued)

**COMPANY PROVIDING COVERAGE**

**WESTFIELD INSURANCE COMPANY**

**NAMED INSURED AND MAILING ADDRESS**

**AGENCY**

12-01151

**PROD.**

000

MAXIM CONSTRUCTION CORP  
31632 N ELLIS DR UNIT 111  
VOLO IL 60073

MARKET FINANCIAL GROUP  
240 COMMERCE DRIVE  
CRYSTAL LAKE IL 60014-3549  
TELEPHONE 815-459-3300

**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period**

**From  
To**

01/01/12  
01/01/13

**at 12:01 A.M. Standard Time at your  
mailing address shown above.**

**Effective 08/24/12 this Common Policy declarations amends all prior  
Common Policy declarations and endorses this policy as shown below.**

**XX  
XX**

**Forms and Endorsements applicable to all coverage parts:**

IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
IL0147 0911 , IL0283 0907 , IL7035 0608 .

**COUNTERSIGNED:** \_\_\_\_\_ **BY** \_\_\_\_\_  
Date Authorized Representative



## LOSS PAYABLE SCHEDULE

(The entires required to complete this schedule  
will be shown below or on the "schedule of coverages".)

Indicate applicable provision:

- ☒ Loss Payable  
☐ Lender's Loss Payable  
☐ Contract of Sale

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### SCHEDULE

---

Location

Number

ALL

Address

ALL COVERED LOCATIONS

Covered Property

RENTED AND  
LEASED EQUIPMENT

Name and Address of Loss Payee

ALTORFER RENTS  
P O BOX 1347  
CEDAR RAPIDS IA 52406




**WESTFIELD**  
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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**

41

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy**  
**Period**
**From** 01/01/12  
**To** 01/01/13

**at 12:01 A.M. Standard Time at your**  
**mailing address shown above.**

 \*\* Effective 11/02/12 this Common Policy declarations amends all prior  
 \*\* Common Policy declarations and endorses this policy as shown below.

 \*\*  
 \*\*
**Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation
 In return for the payment of the premium, and subject to all terms of this  
 policy, we agree with you to provide the insurance as stated in this policy.
**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT Additional Included

Net Additional Premium \$ 0.00

**INLAND MARINE COVERAGE PART ENDORSEMENT**

1. CHANGED COVERAGE AT LOC 001 BLDG 001
  - ADDED LOSS PAYEE
  - LIZZY LIFT INC
  - 3333 MOUNT PROSPECT ROAD
  - FRANKLIN PARK IL 60131

**FORMS CHANGES**

1. CHANGED FORM IM7902A 04/04

 \*\* This endorsement changes your policy. Please  
 attach it to your original policy. \*\*




**WESTFIELD  
INSURANCE**

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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS  
(Continued)**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13
 at 12:01 A.M. Standard Time at your  
 mailing address shown above.

 \*\* Effective 11/02/12 this Common Policy declarations amends all prior  
 \*\* Common Policy declarations and endorses this policy as shown below.

 \*\*  
 \*\*
**Forms and Endorsements applicable to all coverage parts:**
 IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
 IL0147 0911 , IL0283 0907 , IL7035 0608 .

 COUNTERSIGNED: \_\_\_\_\_ BY \_\_\_\_\_  
 Date Authorized Representative





## LOSS PAYABLE SCHEDULE

(The entires required to complete this schedule  
will be shown below or on the "schedule of coverages".)

Indicate applicable provision:

- ☒ Loss Payable  
☐ Lender's Loss Payable  
☐ Contract of Sale

---

### SCHEDULE

---

Location

Number

ALL

Address

ALL COVERED LOCATIONS

Covered Property

LEASED/RENTED  
EQUIPMENT

Name and Address of Loss Payee

LIZZY LIFT, INC  
3333 MOUNT PROSPECT ROAD  
FRANKLIN, IL 60131





**WESTFIELD**  
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**COMMERCIAL PACKAGE POLICY  
AMENDED  
COMMON POLICY DECLARATIONS**

<b>COMPANY PROVIDING COVERAGE</b>		<b>WESTFIELD INSURANCE COMPANY</b>		
<b>NAMED INSURED AND MAILING ADDRESS</b>	<b>AGENCY</b>	<b>12-01151</b>	<b>PROD.</b>	<b>000</b>
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073	MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300			
<b>Policy Number: TRA 5 284 060</b>	<b>11</b>	<b>WIC Account Number: 1200801619</b>		<b>M</b>
<b>Policy Period</b>	<b>From To</b>	<b>at 12:01 A.M. standard Time at your mailing address shown above.</b>		
		<b>Effective 10/26/12 this Common Policy declarations amends all prior</b>		<b>NON</b>
		<b>Common Policy declarations and endorses this policy as shown below.</b>		<b>NON</b>
<b>Business: GENERAL CONTRACTOR</b>		<b>Named Insured is: Corporation</b>		
<b>In return for the payment of the premium, and subject to all terms of this policy, we agree with you to provide the insurance as stated in this policy.</b>				

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL PROPERTY COVERAGE PART ENDORSEMENT	Additional \$	0.00
COMMERCIAL INLAND MARINE COVERAGE PART ENDORSEMENT	Additional \$	458.00
CRIME AND FIDELITY COVERAGE PART ENDORSEMENT	Additional	Included

Net Additional Premium \$ 458.00

**INLAND MARINE COVERAGE PART ENDORSEMENT**

- ADDED COVERAGE AT LOC 013 BLDG 001
  - OCCUPANCY IS BUILDERS RISK-BROADVIEW
  - ADDRESS IS  
2222 10TH AVENUE  
BROADVIEW IL 60155
  - STATE IS ILLINOIS
  - TERRITORY IS 80
  - CONSTRUCTION IS FRAME
  - PROTECTION CLASS IS 5
  - BUILDING CLASS IS 0567
  - TAX LOCATION IS 4040

**INLAND MARINE BUILDERS' RISK SCHEDULE LOCATION**

- ADDED LOC 013 BLDG 001 ITEM # 1
  - SCHEDULE JOBSITE LIMIT IS \$4,099,000

**\*\* This endorsement changes your policy. Please attach it to your original policy. \*\***




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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**  
 (Continued)

41

<b>COMPANY PROVIDING COVERAGE</b>		<b>WESTFIELD INSURANCE COMPANY</b>			
<b>NAMED INSURED AND MAILING ADDRESS</b>		<b>AGENCY</b>	12-01151	<b>PROD.</b>	000
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073		MARKET FINANCIAL GROUP 240 COMMERCIAL DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300			
Policy Number: TRA 5 284 060		11	WIC Account Number: 1200801619		M
<b>Policy Period</b>	<b>From To</b>	01/01/12 01/01/13 at 12:01 A.M. Standard Time at your mailing address shown above.			
<b>XX Effective 10/26/12 this Common Policy declarations amends all prior</b> <b>XX Common Policy declarations and endorses this policy as shown below.</b>					<b>XX</b> <b>XX</b>
<b>Forms and Endorsements applicable to all coverage parts:</b> IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 , IL0147 0911 , IL0283 0907 , IL7035 0608 .					
COUNTERSIGNED: _____ BY _____ <div style="display: flex; justify-content: space-between; width: 100%;"> <span>Date</span> <span>Authorized Representative</span> </div>					




**WESTFIELD**  
**INSURANCE**

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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**

<b>COMPANY PROVIDING COVERAGE</b>		<b>WESTFIELD INSURANCE COMPANY</b>		
<b>NAMED INSURED AND MAILING ADDRESS</b>		<b>AGENCY</b>	12-01151	<b>PROD.</b> 000
MAXIM CONSTRUCTION CORP 31632 N ELLIS DR UNIT 111 VOLO IL 60073		MARKET FINANCIAL GROUP 240 COMMERCE DRIVE CRYSTAL LAKE IL 60014-3549 TELEPHONE 815-459-3300		
<b>Policy Number:</b> TRA 5 284 060		11	<b>WIC Account Number:</b> 1200801619	M
<b>Policy Period</b>	<b>From To</b>	01/01/12 01/01/13		
at 12:01 A.M. Standard Time at your mailing address shown above.				
<b>** Effective 11/16/12 this Common Policy declarations amends all prior</b> <b>** Common Policy declarations and endorses this policy as shown below.</b>				
<b>Business:</b> GENERAL CONTRACTOR		<b>Named Insured is:</b> Corporation		
In return for the payment of the premium, and subject to all terms of this policy, we agree with you to provide the insurance as stated in this policy.				

**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL GENERAL LIAB. COVERAGE PART ENDORSEMENT	Additional \$	100.00
TERRORISM INSURANCE COVERAGE PART ENDORSEMENT	Additional \$	2.00

Net Additional Premium \$ 102.00

**GENERAL LIABILITY COVERAGE PART ENDORSEMENT**

1. ADDED CLASSIFICATION 44444-IL
  - DESCRIPTION: DAMAGE TO YOUR WORK  
AC132
  - PREMIUM BASIS: FLAT CHARGE
  - PREMISES/OPERATIONS COVERAGE APPLIES
  - ADDED \$1,000 P.D. DEDUCTIBLE TO  
PREMISES/OPERATIONS

**FORMS CHANGES**

1. ADDED FORM AC132 01/90

\*\* This endorsement changes your policy. Please  
attach it to your original policy. \*\*






**WESTFIELD**  
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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**  
 (Continued)

41

**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy  
Period****From  
To**01/01/12  
01/01/13**at 12:01 A.M. Standard Time at your  
mailing address shown above.**
 XXX Effective 11/16/12 this Common Policy declarations amends all prior  
 XXX Common Policy declarations and endorses this policy as shown below.

 XXX  
 XXX
**Forms and Endorsements applicable to all coverage parts:**
 IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
 IL0147 0911 , IL0283 0907 , IL7035 0608 .

COUNTERSIGNED: \_\_\_\_\_

Date

BY \_\_\_\_\_

Authorized Representative



TRA 5284060

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**DAMAGE TO "YOUR WORK"**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

1. The following is added to **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, paragraph 1. **Insuring Agreement:**

- f. Damages because of "property damage" include damages the insured becomes legally obligated to pay because of "property damage" to "your work" and shall be deemed to be caused by an "occurrence", but only if:

- (1) The "property damage" is entirely the result of work performed on your behalf by a subcontractor(s) that is not a Named Insured.
- (2) The work performed by the subcontractor(s) is within the "products-completed operations hazard" and;
- (3) The "property damage" is unexpected and unintended from the standpoint of the insured.




**WESTFIELD**  
**INSURANCE**

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**COMMERCIAL PACKAGE POLICY**  
**AMENDED**  
**COMMON POLICY DECLARATIONS**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01151

**PROD.**

000

 MAXIM CONSTRUCTION CORP  
 31632 N ELLIS DR UNIT 111  
 VOLO IL 60073

 MARKET FINANCIAL GROUP  
 240 COMMERCE DRIVE  
 CRYSTAL LAKE IL 60014-3549  
 TELEPHONE 815-459-3300
**Policy Number:** TRA 5 284 060

| 11 |

**WIC Account Number:** 1200801619

| M

**Policy**  
**Period**
**From**  
**To**

 01/01/12  
 01/01/13

 at 12:01 A.M. Standard Time at your  
 mailing address shown above.

 \*\* Effective 12/21/12 this Common Policy declarations amends all prior  
 \*\* Common Policy declarations and endorses this policy as shown below.

 \*\*  
 \*\*
**Business:** GENERAL CONTRACTOR**Named Insured is:** Corporation
 In return for the payment of the premium, and subject to all terms of this  
 policy, we agree with you to provide the insurance as stated in this policy.
**THE COVERAGE PARTS BELOW HAVE BEEN ENDORSED AS FOLLOWS:**

COMMERCIAL AUTO COVERAGE PART ENDORSEMENT

Additional \$ 0.00

Net Additional Premium

\$ 0.00

**AUTO COVERAGE PART ENDORSEMENT**

1. CHANGED AUTO 003 - 07 FORD F150
  - STATE IS ILLINOIS
  - SERIAL NUMBER FROM 1FTRF19237KD50747 TO 1FTRF12237KD50747

 \*\* This endorsement changes your policy. Please  
 attach it to your original policy. \*\*
**Forms and Endorsements applicable to all coverage parts:**
 IL0019 0488 , IL0017 1198 , ID7004 0411 , IL0003 0908 , IL0162 0908 ,  
 IL0147 0911 , IL0283 0907 , IL7035 0608 .

COUNTERSIGNED: \_\_\_\_\_

Date

BY \_\_\_\_\_

Authorized Representative

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